
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zhuzhou CRRC Times Electric Co., Ltd., you should at once hand this circular together with the accompanying forms of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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株洲中车时代电气股份有限公司
ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

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

(Stock Code: 3898)

- (1) PROFIT DISTRIBUTION PLAN FOR YEAR 2022**
- (2) ESTIMATIONS ON ORDINARY RELATED PARTY
TRANSACTIONS FOR 2024-2026**
- (3) PROPOSED BANK CREDIT LINE APPLICATIONS**
- (4) GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES**
- (5) GENERAL MANDATE TO REPURCHASE H SHARES**
- (6) PROPOSED APPOINTMENTS OF MEMBERS OF
THE SEVENTH SESSION OF THE BOARD**
- (7) PROPOSED APPOINTMENTS OF SHAREHOLDER REPRESENTATIVE
SUPERVISORS OF
THE SEVENTH SESSION OF THE SUPERVISORY COMMITTEE**
- (8) NOTICE OF ANNUAL GENERAL MEETING
AND
(9) NOTICE OF THE FIRST CLASS MEETING OF HOLDERS
OF H SHARES OF 2023**

The AGM, the Class Meeting of Holders of A Shares and the Class Meeting of Holders of H Shares of Zhuzhou CRRC Times Electric Co., Ltd. will be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the People's Republic of China on Tuesday, 27 June 2023. Notices convening the AGM and the Class Meeting of Holders of H Shares are set out on pages VII-1 to VII-7 and VIII-1 to VIII-3 of this circular, respectively.

Whether or not you intend to attend the meetings, please complete and return the accompanying forms of proxy in accordance with the instructions printed thereon as soon as possible but in any event not less than 24 hours before the time fixed for holding the AGM and the Class Meeting of Holders of H Shares or the adjourned meeting thereof. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the AGM and/or the Class Meeting of Holders of H Shares or at any adjournment thereof if you so wish.

2 June 2023

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“A Share(s)”	the domestic share(s) of RMB1.00 each in the share capital of the Company which are listed and traded in RMB on the Science and Technology Innovation Board of the SSE
“AGM”	the annual general meeting for year 2022 of the Company to be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the PRC on Tuesday, 27 June 2023 at 2:00 p.m. (or any adjournment thereof)
“AGM Notice”	the notice of the AGM
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Cash Dividend(s)”	the proposed cash dividend of RMB5.5 (tax inclusive) for every ten Shares held by eligible shareholders on the record date of dividend distribution
“Class Meeting of Holders of A Shares”	the 2023 first class meeting of holders of A Shares to be convened and held on Tuesday, 27 June 2023 immediately following the conclusion of the AGM (or any adjournment thereof) at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the PRC
“Class Meeting of Holders of H Shares”	the 2023 first class meeting of holders of H Shares to be convened and held on Tuesday, 27 June 2023 immediately following the conclusions of the AGM and the Class Meeting of Holders of A Shares (or any adjournment thereof) at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the PRC
“Class Meetings”	collectively, the Class Meeting of Holders of A Shares and the Class Meeting of Holders of H Shares
“Company”	Zhuzhou CRRC Times Electric Co., Ltd. (株洲中車時代電氣股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3898) and the A Shares of which are listed on the Science and Technology Innovation Board of the SSE (stock code: 688187)

DEFINITIONS

“Company Law”	the Company Law of the PRC (《中華人民共和國公司法》) (as amended from time to time)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“CRRC”	CRRC Corporation Limited (中國中車股份有限公司), a joint stock company established in the PRC with limited liability, the H shares of which are listed on the Stock Exchange (stock code: 1766) and the A shares of which are listed on the SSE (stock code: 601766). CRRC is directly and indirectly held as to approximately 51.35% in aggregate by CRRC Group and holds the entire equity interest in CRRC ZELRI
“CRRC Group”	CRRC Group Co., Ltd. (中國中車集團有限公司), a state-owned enterprise of the PRC and the controlling shareholder of CRRC
“CRRC Hofer”	Wuxi CRRC Hofer Powertrain Co., Ltd. (無錫中車浩夫爾動力總成有限公司), a limited liability company established in the PRC
“CRRC Hongkong”	CRRC Hongkong Capital Management Co., Limited (中國中車香港資本管理有限公司), a wholly-owned subsidiary of CRRC
“CRRC Investment & Leasing”	CRRC Investment & Leasing Co., Ltd. (中車投資租賃有限公司), a wholly-owned subsidiary of CRRC
“CRRC ZELRI”	CRRC Zhuzhou Institute Co., Ltd. (中車株洲電力機車研究所有限公司), a controlling shareholder of the Company and a wholly-owned subsidiary of CRRC
“CRRC Zhuzhou”	CRRC Zhuzhou Locomotive Co., Ltd. (中車株洲電力機車有限公司), a wholly-owned subsidiary of CRRC
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Foshan Zhongshi”	Foshan Zhongshi Intelligent Transportation Technology Co., Ltd. (佛山中時智匯交通科技有限公司), a limited liability company established in the PRC
“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Stock Exchange and traded in HKD

DEFINITIONS

“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate which is exercisable by the Board to allot, issue and deal with additional A Shares and/or H Shares not exceeding 20% of the total number of A Shares and/or the H Shares respectively in issue as at the date of passing of the relevant Shareholders’ resolution
“KPMG Huazhen”	KPMG Huazhen LLP (畢馬威華振會計師事務所(特殊普通合夥))
“Latest Practicable Date”	29 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of Class Meeting of Holders of H Shares”	notice of Class Meeting of Holders of H Shares, which is set out in Appendix VIII to this circular
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this circular
“Repurchase Mandate”	the general mandate proposed to be granted by Shareholders to the Board at the AGM and the Class Meetings to repurchase H Shares not exceeding 10% of the total number of the H Shares in issue at the time when the relevant resolution is passed at the AGM and the Class Meetings, respectively
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the A Share(s) and/or the H Share(s)
“Shareholder(s)”	the holder(s) of Share(s)
“Shiling Company”	Zhuzhou Shiling Transportation Equipment Co., Ltd. (株洲時菱交通設備有限公司), a limited liability company established in the PRC

DEFINITIONS

“SSE”	the Shanghai Stock Exchange
“SSE Sci Tech Listing Rules”	the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the SSE
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Times Chuangfu”	Zhuzhou Times Chuangfu Investment Center (Limited Partnership) (株 洲時代創富投資中心(有限合夥)), a limited partnership incorporated in the PRC
“Wuxi Times”	Wuxi Times Intelligent Transportation Research Institute Co., Ltd. (無 錫時代智能交通研究院有限公司), a limited liability company established in the PRC
“Zhuzhou Siemens”	Siemens Traction Equipment Ltd., Zhuzhou (株 洲西門子牽引設備有 限公司), a limited liability company established in the PRC
“%”	per cent

* *All times stated in this circular refer to Hong Kong time.
English names of the companies established in the PRC are for identification purpose only.*

LETTER FROM THE BOARD



株洲中车时代电气股份有限公司
ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

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

(Stock Code: 3898)

Executive Directors:

Mr. Li Donglin (*Chairman*)
Mr. Liu Ke'an (*Vice Chairman*)
Mr. Shang Jing
Mr. Yan Wu

Registered office:

Times Road
Shifeng District
Zhuzhou
Hunan Province
PRC 412001

Non-executive Director:

Mr. Zhang Xinning

Principal place of business in Hong Kong:

Unit 1106, 11th Floor
Jubilee Centre
18 Fenwick Street
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Chan Kam Wing, Clement
Mr. Pao Ping Wing
Ms. Liu Chunru
Mr. Chen Xiaoming
Mr. Gao Feng
Mr. Li Kaiguo

2 June 2023

To the Shareholders

Dear Sir/Madam,

- (1) PROFIT DISTRIBUTION PLAN FOR YEAR 2022**
- (2) ESTIMATIONS ON ORDINARY RELATED PARTY TRANSACTIONS FOR 2024-2026**
- (3) PROPOSED BANK CREDIT LINE APPLICATIONS**
- (4) GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES**
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- (6) PROPOSED APPOINTMENTS OF MEMBERS OF THE SEVENTH SESSION OF THE BOARD**
- (7) PROPOSED APPOINTMENTS OF SHAREHOLDER REPRESENTATIVE SUPERVISORS OF THE SEVENTH SESSION OF THE SUPERVISORY COMMITTEE**
- (8) NOTICE OF ANNUAL GENERAL MEETING AND**
- (9) NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF H SHARES OF 2023**

I. INTRODUCTION

Reference is made to the announcement of the Company dated 30 March 2023 in relation to, among other things, the recommendation on payment of the Cash Dividends by the Board.

LETTER FROM THE BOARD

The purpose of this circular is to give you the AGM Notice, the Notice of Class Meeting of Holders of H Shares and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM and the Class Meeting of Holders of H Shares.

II. MATTERS TO BE RESOLVED AT THE AGM AND/OR CLASS MEETINGS

(A) Ordinary Resolutions

1. *The Company's 2022 Annual Report and its Summary*

Please refer to the summary of the Company's 2022 annual report which was published on the website of the SSE (www.sse.com.cn) on 30 March 2023 and the 2022 annual report of the Company which was published on the HKEXnews website of the Stock Exchange (<https://www.hkexnews.hk>) and the Company's website (<http://www.tec.crrczic.cc>) on 25 April 2023.

The resolution in relation to the Company's 2022 annual report and its summary will be submitted to the AGM for consideration and approval by way of ordinary resolution.

2. *2022 Final Accounts Report*

The Company has prepared its financial statements and the notes thereto for year 2022 in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC, and engaged KPMG Huazhen to audit the consolidated balance sheets and the balance sheet of the Company as at 31 December 2022, the consolidated income statement and the income statement of the Company, the consolidated cash flow statement and the cash flow statement of the Company, the consolidated statement of changes in shareholders' equity and the statement of changes in shareholders' equity of the Company for the period from 1 January 2022 to 31 December 2022 and the notes to the financial statements. KPMG Huazhen is of the opinion that the financial statements are prepared in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC in all material aspects, fairly reflect the consolidated financial position and the financial position of the Company as at 31 December 2022, the consolidated operating results and the operating results of the Company, as well as the consolidated cash flow and the cash flow of the Company for the year 2022. For details of the above statements, please refer to the 2022 annual report published on the HKEXnews website of the Stock Exchange (<https://www.hkexnews.hk>) (as the overseas regulatory announcement), the website of SSE (www.sse.com.cn) and the website of the Company (<http://www.tec.crrczic.cc>).

The resolution in relation to the 2022 final accounts report was considered and approved by the Board on 30 March 2023. The resolution in relation to the 2022 final accounts report will be submitted to the AGM for consideration and approval by way of ordinary resolution.

LETTER FROM THE BOARD

3. 2022 Work Report of the Board of Directors

Please refer to Appendix II of this circular for the full text of the 2022 work report of the Board of Directors.

The resolution in relation to the 2022 work report of the Board of Directors will be submitted to the AGM for consideration and approval by way of ordinary resolution.

4. 2022 Work Report of the Supervisory Committee

Please refer to Appendix III of this circular for the full text of the 2022 work report of the Supervisory Committee.

The resolution in relation to the 2022 work report of the Supervisory Committee will be submitted to the AGM for consideration and approval by way of ordinary resolution.

5. Profit Distribution Plan for 2022

According to the resolution passed at the Board meeting held on 30 March 2023, having considered various factors such as the Company's operating conditions, cash flow, capital needs and future development, and taking into account the interests of all Shareholders, the Board proposes that the profit distribution plan for 2022 (that is, for the year ended 31 December 2022) is calculated based on the total registered capital of the Company of 1,416,236,912 Shares as of 31 December 2022 and that Cash Dividends of RMB5.5 (tax inclusive) for every ten Shares will be paid to all Shareholders. The total amount of the proposed Cash Dividends is estimated to be RMB778,930,301.60 (tax inclusive), accounting for approximately 30.48% of the net profit attributable to Shareholders of the listed company as contained in the audited consolidated financial statements for the year ended 31 December 2022. In the event of change in the total share capital of the Company before the equity record date of the implementation of the above dividend distribution, it is proposed that the distribution ratio per Share will remain unchanged while the total distribution amount shall be adjusted accordingly, and the details of the adjustment will be announced separately.

It is also proposed at the AGM to authorize the Board, generally and unconditionally, to implement the matters relating to the profit distribution, and the Board to further authorize the executive Directors to be responsible for specific implementation, and to deal with the matters relating to tax withholding according to the requirements of the applicable laws and regulations and the relevant regulatory authorities.

The Cash Dividend is denominated and declared in RMB, paid in RMB to the holders of A Shares and paid in HKD to the holders of H shares. The actual amount to be paid in HKD will be converted based on the average benchmark exchange rate for RMB to HKD as announced by the People's Bank of China five business days before the date of the AGM.

LETTER FROM THE BOARD

The payment of Cash Dividends shall be subject to Shareholders' approval at the AGM. If the resolution is approved by the Shareholders at the AGM, the said Cash Dividend is expected to be distributed on or around Tuesday, 8 August 2023 to the Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 6 July 2023.

Under relevant regulations of China Securities Depository and Clearing Corporation Limited Shanghai Branch and in line with the market practice regarding dividend distribution of A shares, the Company will publish a separate announcement in respect of its Cash Dividend distribution to holders of A Shares after the AGM, which will set out the record date and ex-dividend date for Cash Dividend distribution to holders of A Shares.

Timetable arrangements such as the record date, the ex-dividend date and the date of distribution of Cash Dividends for the investors of northbound trading under Shanghai-Hong Kong Stock Connect will be the same as holders of A Shares. Timetable arrangements such as the record date, the ex-dividend date and the date of distribution of Cash Dividends for the investors of southbound trading under Shanghai-Hong Kong Stock Connect will be the same as holders of H Shares.

In order to ascertain the entitlements of the holders of H Shares to receive the proposed Cash Dividends, the transfer of H Shares will be closed from Saturday, 1 July 2023 to Thursday, 6 July 2023 (both days inclusive), during which no transfer of Shares will be effected. In order for the holders of H Shares to qualify for receiving the proposed Cash Dividends, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration, no later than 4:30 p.m. on Friday, 30 June 2023.

Taxation Arrangements

According to the Law on Enterprise Income Tax of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementing rules which was amended and came into effect on 29 December 2018 and the Notice of the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders Which are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the State Administration of Taxation (Guo Shui Han [2008] No. 897), the Company is required to withhold enterprise income tax at the rate of 10% before distributing the Cash Dividends to non-resident enterprise shareholders as appearing on the H Share register of members of the Company. The enterprise income tax shall be withheld for the dividends of any H shares under the name of non-individual shareholders (any H shares registered in the name of HKSCC Nominees Limited, other nominees and trustees, or other organizations and institutions, shall be deemed as shares held by non-resident enterprise shareholders, hence enterprise income tax will be deducted from the amount of dividend payable).

LETTER FROM THE BOARD

According to Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation, the Company shall withhold and pay the individual income tax for the dividend payable to individual H Shareholders. At the same time, the individual H Shareholders are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements between the countries where they are residents and China or the tax arrangements between mainland China and Hong Kong (Macau). If the individual H Shareholders are Hong Kong or Macau residents or residents of the countries having an agreed dividend tax rate of 10% with China, the Company shall withhold and pay the individual income tax at a rate of 10%. If the individual H Shareholders are residents of the countries having an agreed dividend tax rate of less than 10% with China, the Company would apply for entitlement of the relevant agreed preferential tax treatment on their behalf in accordance with the Measures for the Administration of Non-Resident Taxpayers' Enjoyment of Treaty Benefits (《非居民納稅人享受協定待遇管理辦法》) (SAT Announcement [2019] No. 35), and the qualified shareholders are required to timely submit all application materials as required by the tax convention announcement to the Company. If the individual H Shareholders are residents of the countries having an agreed dividend tax rate exceeding 10% but lower than 20% with China, the Company shall withhold and pay the individual income tax at the actual agreed rate. In case the individual H Shareholders are residents of the countries that have not entered into any tax agreement with China or otherwise, the Company shall withhold and pay the individual income tax at a rate of 20%.

According to the current practice of the Inland Revenue Department of Hong Kong, dividends paid by the Company in Hong Kong are not subject to taxation.

The Company shall take the registered address (hereinafter the “**Registered Address**”) as recorded in the register of members of the Company on Thursday, 6 July 2023 to determine the residence of the individual H Shareholders, and accordingly withhold and pay the individual income tax. If the residence of any individual H Shareholder is inconsistent with the Registered Address, he/she should notify the Company's H Share Registrar on or before 4:30 p.m. on Friday, 30 June 2023 and provide the relevant supporting documents, and the correspondence details are as follows: Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (Tel: (852) 2862 8555). If such individual H Shareholder has failed to provide the relevant supporting documents to the Company's H Share Registrar within the time period as stated above, the Company will determine his/her residence according to the Registered Address as recorded in the register of members on Thursday, 6 July 2023.

The Company assumes no responsibility and will not entertain any claims arising from any delay in the determination, or inaccurate determination, of the status of the Shareholders or any dispute over the arrangement of withholding and payment of tax.

An ordinary resolution will be proposed at the AGM to approve the profit distribution plan for 2022.

LETTER FROM THE BOARD

6. *The Appointment of Auditors of the Company for 2023*

Pursuant to the requirements of the relevant laws and regulations and the Articles of Association, the Company is required to appoint an accounting firm to audit the annual financial statements of the Company in accordance with the applicable accounting standards as well as an accounting firm to audit the effectiveness of the internal control of the Company.

KPMG Huazhen, being the auditors of the Company for the financial statements and the internal control of the Company in 2022, audited the financial statements of the Company for 2022 and the effectiveness of internal control of the Company.

The Company proposed to re-appoint KPMG Huazhen as the auditors of the Company for the financial statements and the internal control of the Company in 2023. In addition, it is proposed to grant the Board at the AGM the authority to determine the relevant matters including its remuneration.

The abovementioned resolution in relation to the appointment of auditors of the Company for 2023 was considered and approved by the audit committee of the Board on 29 March 2023 and the Board on 30 March 2023 and is hereby submitted to the AGM for consideration and approval.

7. *Proposed Bank Credit Line Applications*

In order to meet the rapid business development needs of the Company, ensure that there are sufficient funds for the major investment projects, production and operations of the Company, the Board proposes to seek approval from the Shareholders at the AGM, by way of an ordinary resolution, for the credit line applications of the Company in 2023 in the aggregate amount of up to RMB30,000 million or the equivalent in other currencies. For specific details of the credit line applications, the approval from the banks will prevail, and the actual amount and type of credit shall depend on the business development needs of the Company.

LETTER FROM THE BOARD

Details of the Company's credit line applications to relevant banks in the amount of RMB30,000 million for year 2023 are as follows:

Unit: RMB (in million)

No.	Name of Bank/ Financial Institutions	Line of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
1.	Bank of China Co., Ltd.	5,400	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
2.	China Development Bank	5,000	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance etc.
3.	China Construction Bank Co., Ltd.	2,900	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
4.	China Merchants Bank Co., Ltd.	2,800	Global Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
5.	Industrial and Commercial Bank of China Co., Ltd	2,300	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.

LETTER FROM THE BOARD

No.	Name of Bank/ Financial Institutions	Line of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
6.	Agricultural Bank of China Co., Ltd.	2,100	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
7.	Shanghai Pudong Development Bank Co., Ltd.	1,300	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
8.	China CITIC Bank Co., Ltd.	1,200	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
9.	Bank of Communications Co., Ltd.	1,000	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
10.	The Export-Import Bank of China	1,000	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance etc.
11.	China Everbright Bank Co., Ltd.	800	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
12.	Bank of Changsha Co., Ltd.	800	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.

LETTER FROM THE BOARD

No.	Name of Bank/ Financial Institutions	Line of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
13.	Industrial Bank Co., Ltd.	500	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
14.	China Minsheng Bank Co., Ltd.	400	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, etc.
15.	Bank of Hunan Corporation Limited	400	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
16.	China Guangfa Bank Co., Ltd.	300	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, trade finance, issuance of letter of guarantee, letter of credit, factoring, Yunxin (雲信) etc.
17.	Citibank N.A.	300	Composite Credit	1 Year	Working capital loans, issuance of letter of guarantee, trade finance, etc.
18.	Barclays Bank PLC	300	Composite Credit	1 Year	Working capital loans, trade finance, etc.
19.	CRRC Hongkong Capital Management Co., Ltd	100	Composite Credit	1 Year	Working capital loans, trade finance, etc.

LETTER FROM THE BOARD

No.	Name of Bank/ Financial Institutions	Line of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
20.	Société Générale S.A.	50	Composite Credit	1 Year	Working capital loans, issuance of letter of guarantee, trade finance, etc.
21.	Bank of Ningbo Co., Ltd.	50	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, etc.
22.	Others (Note 3)	1,000	N/A	N/A	Working capital loans, trade finance, etc.
Total		<u>30,000</u>			

Note 1: Depending on the actual needs of the Company and in compliance with the banks' regulatory requirements, the credit lines granted by each bank above are inter-exchangeable.

Note 2: Calculated from the date when the Company and its subsidiaries within the scope of consolidated financial statements enter into the financing agreements with the banks.

Note 3: It refers to the potential application for additional credit line(s) from cooperating banks as required by other financing needs.

At the same time, to improve financing efficiency, the Board proposes to seek authorisation from the Shareholders at the AGM, by way of an ordinary resolution, for the chairman of the Board to (i) sign bank facility agreements and their ancillary documents provided that the relevant facility falls within the abovementioned bank credit lines; (ii) approve and sign bank loan agreements and their ancillary documents for credit in the amount of RMB1,000 million or below for a single transaction; and (iii) sign agreements relating to bank acceptance bills, letters of guarantee, factoring and trade finance business and their ancillary documents for credit in the amount of RMB1,000 million or below for a single transaction.

An ordinary resolution in relation to the proposed bank credit line applications will be submitted to the AGM for consideration and approval by way of ordinary resolution. The term of authorisation shall be effective upon its approval by the Shareholders at the AGM up to the date of the annual general meeting for year 2023.

LETTER FROM THE BOARD

8. *The Remuneration of Directors and Supervisors for year 2022*

The remuneration of Directors and Supervisors for year 2022 is set out in Note “(X) Related Parties and Related Party Transactions – 5. Transactions between the Group and its related parties – (7) Remuneration of key management personnel” to the Financial Report in the 2022 annual report of the Company. The remuneration of Directors and Supervisors for year 2022 will be proposed at the AGM for the Shareholders to approve by way of ordinary resolution.

9. *Estimations on Ordinary Related Party Transactions for 2024-2026*

An ordinary resolution will be proposed at the AGM to approve the estimations on ordinary related party transactions for 2024-2026.

Please refer to Appendix IV to this circular for the main contents of the estimations on ordinary related party transactions for 2024-2026. The resolution on the estimations on ordinary related party transactions for 2024-2026 has been considered and approved by the Board, and is hereby submitted to Shareholders for consideration and approval at the AGM, and the Shareholders are also proposed to authorise any executive Director or management personnel and relevant person(s) of the Company to execute, amend and perform relevant transaction agreements and auxiliary documents within the annual transaction caps of ordinary related party transactions for 2024-2026 approved by the Shareholders.

10. *Proposed Appointments of Members of the Seventh Session of the Board*

Reference is made to the announcement of the Company dated 19 May 2023 in relation to, among other things, proposed appointments of members of the seventh session of the Board.

The term of office of the sixth session of the Board will soon expire. Before members of the seventh session of the Board take office, members of the sixth session of the Board shall continue to perform their duties in accordance with requirements of the laws, regulations and the Articles of Association. Set forth below is the list of proposed candidates for Directors of the seventh session of the Board as nominated by the nomination committee of the Board and the Board:

- (1) 3 candidates for executive Directors: Mr. Li Donglin (李東林), Mr. Liu Ke'an (劉可安) and Mr. Shang Jing (尚敬);
- (2) 1 candidate for non-executive Director: Mr. Zhang Xinning (張新寧); and
- (3) 4 candidates for independent non-executive Directors: Mr. Gao Feng (高峰), Mr. Li Kaiguo (李開國), Mr. Zhong Ninghua (鍾寧樺) and Mr. Lam Siu Fung (林兆豐).

LETTER FROM THE BOARD

The list of candidates for Directors of the seventh session of the Board as set out above will be proposed to the AGM for approval, and if approved, the seventh session of the Board will comprise 8 Directors, including 3 executive Directors, 1 non-executive Director and 4 independent non-executive Directors. Members of the seventh session of the Board shall hold office for a term of three years, and are subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

Members of each special committee under the Board will be appointed by members of the seventh session of the Board after they are elected.

Biographical details of the above candidates for Directors of the seventh session of the Board and other information relating to their proposed appointments are set out in Appendix V to this circular.

Having taken into account the skills, knowledge and experience of each candidate for independent non-executive Directors, the nomination committee of the Board considered that candidates for independent non-executive Directors have accumulated years of experience in various fields, including electrical engineering, mechanical industry science and technology, accounting, economics, finance and management, which enables them to contribute to the diversity of the Board from multiple perspectives. Before candidates for independent non-executive Directors are nominated, the nomination committee of the Board and the Board have considered the benefits to be brought by them to the Board from a variety of aspects, including but not limited to gender, age, cultural and educational backgrounds, professional experience, skills and knowledge.

11. Proposed Appointments of Shareholder Representative Supervisors of the Seventh Session of the Supervisory Committee

Reference is made to the announcement of the Company dated 19 May 2023 in relation to, among other things, proposed appointments of shareholder representative Supervisors of the seventh session of the Supervisory Committee.

The term of office of the sixth session of the Supervisory Committee will soon expire. Before members of the seventh session of the Supervisory Committee take office, members of the sixth session of the Supervisory Committee shall continue to perform their duties in accordance with requirements of the laws, regulations and the Articles of Association. Upon nomination by the Supervisory Committee, the Company proposed 2 candidates for shareholder representative Supervisors of the seventh session of the Supervisory Committee, being Mr. Li Lüe (李略) and Mr. Geng Jianxin (耿建新).

LETTER FROM THE BOARD

The list of candidates for shareholder representative Supervisors of the seventh session of the Supervisory Committee as set out above will be proposed to the AGM for approval, and if approved, the seventh session of the Supervisory Committee will comprise 2 shareholder representative Supervisors and employee representative Supervisor(s) to be democratically elected by the employees. Information regarding the employee representative Supervisor(s) will be announced separately by the Company. Members of the seventh session of the Supervisory Committee shall hold office for a term of three years with effect from the date of approval at the AGM.

Biographical details of the above candidates for shareholder representative Supervisors of the seventh session of the Supervisory Committee and other information relating to their proposed appointments are set out in Appendix VI to this circular.

(B) Special Resolutions

12. General Mandate to Issue A Shares and/or H Shares

At the annual general meeting for year 2021 of the Company held on 17 June 2022, a special resolution was passed granting the Board the general mandate to allot, issue and deal with additional domestic shares of the Company and/or H Shares not exceeding 20% of the domestic shares of the Company and the H Shares respectively in issue as at 17 June 2022.

Considering that the general mandate to allot, issue and deal with additional domestic shares of the Company and/or H Shares not exceeding 20% of the domestic shares of the Company and the H Shares respectively in issue as at 17 June 2022 will have expired at the conclusion of the AGM, the Board proposes to seek approval from the Shareholders at the AGM, by way of a special resolution, for granting the Issue Mandate, subject to the conditions as set out in the resolution for the grant of the Issue Mandate.

Any exercise of the power by the Board under the Issue Mandate will have to comply with the Articles of Association, the Company Law and the Listing Rules and all other applicable laws, rules, regulations and requirements of relevant governmental and/or regulatory authorities.

In order to ensure flexibility and discretion for the Board to issue new Shares, the Board believes that it is in the best interests of the Company and the Shareholders as a whole for the Issue Mandate to be granted.

The resolution in relation to general mandate to issue A Shares and/or H Shares will be submitted to the AGM for consideration and approval by way of special resolution.

LETTER FROM THE BOARD

13. General Mandate to Repurchase H Shares

In order to strengthen the Company's capital market value management and in response to Shareholders' demands, the Board proposes the granting of the general mandate to the Board to repurchase H Shares be considered and approved at the AGM and the Class Meetings, for the Board to repurchase H Shares not exceeding 10% of the total number of the H Shares in issue at the time when this resolution is passed in accordance with all applicable laws and regulations, the Articles of Association, the requirements of the Stock Exchange and any other relevant government or regulatory authorities of the PRC and with reference to market conditions, based on funding arrangements and in accordance with the needs of the Company.

It is proposed that, authorities in relation to the Repurchase Mandate be granted to the Board at the AGM and the Class Meetings, including but are not limited to:

1. to formulate and implement specific repurchase plans, including but not limited to repurchase price(s), number of Shares to be repurchased, timing(s) of repurchase and period(s) of repurchase, etc.;
2. to notify creditors and issue announcement in accordance with the Company Law and the Articles of Association;
3. to set up overseas Share accounts and carry out relevant procedures for change of foreign exchange registration;
4. to carry out the relevant approval, filing and/or disclosure procedures in accordance with laws, regulations, the Articles of Association, requirements of securities regulators of the places where the Shares of the Company are listed and any other relevant government or regulatory authorities of the PRC (if necessary);
5. to carry out the cancellation procedures for the repurchased H Shares, reduce registered capital, and make corresponding amendments to the Articles of Association in respect of total share capital and shareholding structure, etc., and to carry out the statutory registration and filing procedures within and outside the PRC; and
6. to execute other documents, and deal with all other necessary or appropriate measures, actions, matters and affairs, in connection with the repurchase of H Shares.

If the relevant special resolution set out in the AGM Notice and the notices of Class Meetings is passed at the AGM and the Class Meetings, the Board will be granted the Repurchase Mandate until the earlier of (a) the conclusion of the next annual general meeting of the Company; or (b) the date on which the authorities conferred by the relevant special resolution is revoked or varied by special resolution by the Shareholders at the general meeting, the class meeting of holders of A Shares and the class meeting of holders of H Shares, respectively, in repurchasing its H Shares.

LETTER FROM THE BOARD

The Company intends to apply and only apply its own funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC.

Please refer to Appendix I to this circular for the explanatory statement which sets out certain information on the Repurchase Mandate.

The resolution in relation to the Repurchase Mandate will be submitted to the AGM and the Class Meetings respectively for consideration and approval by way of special resolution.

III. THE AGM AND THE CLASS MEETING OF HOLDERS OF H SHARES

The votes at the AGM and the Class Meeting of Holders of H Shares will be taken by poll.

Notices convening the AGM and Class Meeting of Holders of H Shares to be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the PRC on Tuesday, 27 June 2023 at 2:00 p.m. are set out on pages VII-1 to VII-7 and pages VIII-1 to VIII-3 of this circular, respectively.

To be eligible to attend and vote at the AGM and the Class Meeting of Holders of H Shares, all transfer documents together with the relevant Share certificates must be lodged, for holders of the H Shares, with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 20 June 2023.

Proxy forms for appointing proxy are despatched together with this circular and published on the websites of the Company (<http://www.tec.crrczic.cc>) and the Stock Exchange (www.hkex.com.hk). Whether or not you intend to attend the AGM and/or the Class Meeting of Holders of H Shares, you are requested to complete and return the proxy forms in accordance with the instructions printed thereon not less than 24 hours before the time appointed for holding the AGM and/or the Class Meeting of Holders of H Shares or the adjournment thereof.

Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM and/or the Class Meeting of Holders of H Shares or at any adjournment thereof if you so wish.

IV. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that all the resolutions to be proposed at the AGM and the Class Meeting of Holders of H Shares are in the best interests of the Company and the Shareholders as a whole. As such, the Board recommends the Shareholders to vote in favor of all the resolutions set out in the AGM Notice and the Notice of Class Meeting of Holders of H Shares which are to be proposed at the AGM and the Class Meeting of Holders of H Shares.

LETTER FROM THE BOARD

V. FURTHER INFORMATION

Further information of the Company is set out in the appendices to this circular for your information.

Pursuant to the requirements under the Rules for the Shareholders' Meetings of Listed Companies issued by the CSRC, each of the independent Directors shall prepare a work report for the preceding year at the annual general meeting. Such report will be submitted to the Shareholders for consideration but not for approval at the AGM.

Yours faithfully,
For and on behalf of the Board
Li Donglin
Chairman

In accordance with the Listing Rules, this appendix serves as an explanatory statement to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the special resolution to be proposed at the AGM, the Class Meeting of Holders of A Shares and the Class Meeting of Holders of H Shares for the granting of general mandate to repurchase H Shares to the Board.

REPURCHASE MANDATE

Reasons for Repurchasing H Shares

The Directors believe that the Repurchase Mandate would be beneficial to strengthen the Company's capital market value management and respond to the Shareholders' demands, and is in the interest of the Company and its Shareholders as a whole. The repurchase of H Shares may, depending on market conditions and funding arrangements at such time, enhance the net asset value per Share and/or earnings per Share of the Company. The repurchase of H Shares will only be made by the Directors when they believe that it will benefit the Company and its Shareholders as a whole.

Share Capital

As at the Latest Practicable Date, the total issued capital of the Company was RMB1,416,236,912, comprising 547,329,400 H Shares of RMB1.00 each and 868,907,512 A Shares of RMB1.00 each.

Number of Shares Proposed to be Repurchased

If the relevant special resolution set out in the notices of the AGM and the Class Meetings is passed at each of the meetings, the Board will be granted the Repurchase Mandate until the earlier of (a) the conclusion of the next annual general meeting; or (b) the date on which the authorities conferred by the relevant special resolution is revoked or varied by special resolution by the Shareholders at the general meeting, the class meeting of holders of A Shares and the class meeting of holders of H Shares, respectively (the "**Relevant Period**").

If the Repurchase Mandate is exercised in full (on the basis of 547,329,400 H Shares in issue as at the Latest Practicable Date and assuming no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM and the Class Meetings), the Shares to be repurchased by the Company during the Relevant Period shall not exceed 54,732,940 H Shares under the Repurchase Mandate, being not exceeding 10% of the total number of H Shares in issue as at the date of passing the relevant special resolution at the AGM and the Class Meetings.

Funding of Repurchase

In repurchasing its H Shares, the Company intends to apply and only apply its own funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC. The Directors consider that there may not be material adverse impact on the working capital or on the gearing position of the Company (as compared with the position disclosed in the latest published audited accounts contained in the financial report of the Company for the year ended 31 December 2022) in the event that the Repurchase Mandate is exercised in full at any time during the Relevant Period.

Prices of H Shares

The highest and lowest prices at which the H Shares have been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date were as follows:

Month	H Share	
	Highest HK\$	Lowest HK\$
2022		
April	31.35	24.00
May	33.60	29.40
June	38.70	32.15
July	38.85	33.70
August	39.45	32.75
September	38.35	33.00
October	35.40	30.00
November	37.05	33.10
December	39.50	36.35
2023		
January	44.90	37.55
February	41.85	35.75
March	38.10	34.15
April	34.95	31.10
May (up to the Latest Practicable Date)	34.80	31.80

Shares Repurchased by the Company

No repurchase of Shares has been made by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or other stock exchanges).

Directors' Undertakings and General Information

The Directors have undertaken to the Stock Exchange that, so far as may be applicable, they will exercise the Repurchase Mandate pursuant to the approved special resolution of the Repurchase Mandate in accordance with the Listing Rules and the applicable laws, rules and regulations of the PRC.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined under the Listing Rules) has a present intention to sell H Shares (if any) to the Company pursuant to the Repurchase Mandate, in the event that the Repurchase Mandate is approved by the Shareholders at the AGM and the Class Meetings and the conditions (if any) to which the Repurchase Mandate is subject are fulfilled.

The Company has not been notified by any of the Company's core connected persons (as defined under the Listing Rules) that they have a present intention to sell any H Shares to the Company, nor have they undertaken not to sell any H Shares held by them to the Company in the event that the Repurchase Mandate is approved by the Shareholders at the AGM and the Class Meetings and the conditions (if any) to which the Repurchase Mandate is subject are fulfilled.

Takeovers Code and the Public Float Requirements

Pursuant to Rule 32 of the Takeovers Codes, if as a result of repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Codes. Accordingly, if a Shareholder, or a group of Shareholders acting in concert could, depending on the level of increase of the Shareholder's interest, obtain or consolidate control of the Company following such repurchase made by the Company, such Shareholder or group of Shareholders would become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes.

As at the Latest Practicable Date, CRRC was indirectly interested in 650,486,468 Shares (comprising 608,966,468 A Shares and 41,520,000 H Shares) (representing approximately 45.93% of the entire issued share capital of the Company) through its four wholly-owned subsidiaries, namely (i) CRRC ZELRI, which was directly interested in 589,585,699 A Shares (representing approximately 41.63% of the entire issued share capital of the Company); (ii) CRRC Zhuzhou, which was directly interested in 10,000,000 A Shares (representing approximately 0.71% of the entire issued share capital of the Company); (iii) CRRC Investment & Leasing, which was directly interested in 9,380,769 A Shares (representing approximately 0.66% of the entire issued share capital of the Company); and (iv) CRRC Hongkong, which was directly interested in 41,520,000 H Shares (representing approximately 2.93% of the entire issued share capital of the Company). As each of (i) CRRC ZELRI; and (ii) the concert group comprising CRRC, the parties named in (i) to (iv) above together with the parties acting in concert with them (together the "**Concert Group**") held not less than 30% but not more than 50% of the voting rights of the Company, each of CRRC ZELRI and the Concert Group may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code if it acquires additional voting rights and such acquisition has the effect of increasing its holding of voting rights of the Company by more than 2% from the lowest collective percentage holding of such persons in the 12 month period ending on and inclusive of the date of the relevant acquisition.

In the event that the Directors exercise in full the power to repurchase H Shares which are proposed to be granted pursuant to the Repurchase Mandate, the individual shareholding of CRRC ZELRI will increase to approximately 43.30% while the collective shareholding of the Concert Group will increase to approximately 47.78%. None of these increases would give rise to an obligation to make a mandatory general offer under the Takeovers Code. In any event, the Directors have no present intention to exercise the Repurchase Mandate to such extent that would result in takeover obligations. The Directors are not aware of any other consequences under the Takeovers Code and any similar applicable laws which would arise from any repurchasing actions under the Repurchase Mandate.

The Directors do not propose to repurchase Shares to the extent that the public float would fall below the minimum requirement under Rule 8.08 of the Listing Rules.

Status of Repurchased Shares

Pursuant to the Listing Rules, the listing status of all repurchased H Shares will be automatically cancelled and the relevant certificates of Shares will be cancelled and destroyed. Under the PRC laws, the repurchased H Shares will be cancelled, and the amount of the Company's registered capital shall be reduced by an amount equal to the aggregate nominal value of the cancelled H Shares accordingly.

**ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.
2022 WORK REPORT OF THE BOARD OF DIRECTORS**

In 2022, the board of directors of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) strictly complied with the duties imposed by the Company Law, the Articles of Association and the Rules of Procedure of the Board of Directors of the Company, took actions to maximize shareholders’ value, conscientiously implemented the resolutions of the shareholders’ general meetings, faithfully and diligently performed the duties of the board of directors, and continuously strengthened itself to effectively safeguard the interests of the Company and all shareholders. The work of the board of directors for 2022 is reported as follows:

I. PRINCIPAL OPERATIONS IN 2022

The year of 2022 is an extraordinary year of great historical importance. The world has entered a new period of turbulence and change, as the once-in-a-century evolution of political landscape accelerated, the Ukraine crisis has spilled over, and the global industrial chain and supply chain has been hit. The 20th National Congress of the Communist Party of China was successfully held, starting a new journey to promote the great rejuvenation of the Chinese nation with Chinese modernization. Under the leadership of the board of directors, the Company implemented the new development concept, the overall requirements of economic stability and development security, and took profitability enhancement as the core business management priority for the year, rising to the challenge and working hard. During the reporting period, the Company achieved operating revenue of RMB18,033.78 million, representing a year-on-year increase of 19.26%, total profit of RMB2,941.55 million, representing a year-on-year increase of 38.55% and net profit attributable to shareholders of the parent company of RMB2,555.82 million, representing a year-on-year increase of 26.67%.

II. WORK OF THE BOARD OF DIRECTORS IN 2022

(I) Board meetings

In 2022, the Company held a total of 9 board meetings and considered a total of 54 resolutions. The convening and holding procedures of the meetings, qualifications of the attendees, qualifications of the conveners and voting procedures were in compliance with the relevant provisions of the laws, regulations and the Articles of Association, and the resolutions of the meetings were legal and valid. The matters considered and approved at the meetings were effectively implemented by the board of directors.

(II) Performance of duties of directors

In 2022, the directors of the Company performed their duties faithfully and diligently and participated in board meetings and general meetings in a conscientious and responsible manner and took part in the decision-making of the Company. The directors had in-depth discussions on the various proposals submitted to the board of directors for consideration, expressed their views and made suggestions for the operation and development of the Company, fully considered the interests and demands of the minority shareholders when making decisions, which effectively strengthened the scientific decision-making of the board of directors and promoted the sustainable, stable and healthy development of the Company's production and operation. The independent directors performed their duties diligently in accordance with the relevant provisions of the Company Law, the Securities Law and the Articles of Association, strictly considered the proposals and made independent, objective and impartial judgments without being influenced by the Company and the shareholders of the Company, and expressed independent opinions on matters such as profit distribution, related (connected) transactions, appointment of auditors, internal control assessment reports, deposit and use of proceeds in accordance with the relevant requirements, thereby effectively safeguarding the interests of the Company and the minority shareholders.

Attendance of the board meetings and general meetings by the directors is as follows:

Name of director	Independent director or not	Number of required attendance at board meetings during the year	Attendance at board meetings				Failure to attend in person for two consecutive times	Attendance at the general meetings
			Number of attendance in person	Number of attendance by means of telecommunications	Number of attendance by proxy	Number of absence		
Li Donglin	No	9	9	3	0	0	No	4
Liu Ke'an	No	9	9	3	0	0	No	4
Shang Jing	No	9	9	3	0	0	No	4
Yan Wu	No	9	9	3	0	0	No	4
Zhang Xinning	No	9	9	3	0	0	No	4
Chan Kam Wing, Clement	Yes	9	9	3	0	0	No	4
Pao Ping Wing	Yes	9	9	3	0	0	No	4
Liu Chunru	Yes	9	9	3	0	0	No	4
Chen Xiaoming	Yes	9	9	3	0	0	No	4
Gao Feng	Yes	9	9	3	0	0	No	4
Li Kaiguo*	Yes	2	2	1	0	0	No	0

* Mr. Li Kaiguo served as an independent non-executive Director and a member of the strategy committee and the audit committee of the Board commencing from 21 October 2022.

(III) Performance of duties of board committees

The board has set up five special committees, namely, the strategy committee, the audit committee, the risk control committee, the remuneration committee and the nomination committee. During the reporting period, the Company held two meetings of the strategy committee, five meetings of the audit committee, one meeting of the risk control committee, three meetings of the remuneration committee and three meetings of the nomination committee. The convening, holding and deliberation procedures of the meetings were in compliance with the provisions of the Articles of Association and the working rules of the relevant special committees, and the meeting materials were compliant, adequate and delivered in a timely manner. The special committees carried out their work diligently in 2022, fully performed their professional functions, and assisted the Company in making decisions on major matters and facilitating the effective operation of the board of directors in a more regulatory and satisfactory manner.

(IV) Convening of general meetings and implementation of resolutions

In 2022, the Company held the 2021 annual general meeting, the 2022 first class meeting of holders of domestic shares, the 2022 first class meeting of holders of H shares and the 2022 first extraordinary general meeting, at which 21 resolutions were considered and approved. The convening and holding of the general meetings, qualifications of the attendees, voting procedures and poll results were in compliance with the provisions of relevant laws and regulations, and the resolutions of the general meetings were legal and valid. The board of directors, in strict accordance with the requirements of the Company Law and the Articles of Association, fully implemented the resolutions of the general meeting of the Company, conscientiously performed the duties imposed by the general meeting and made effective contributions to the scientific decision-making and effective implementation of various major matters of the Company.

(V) Corporate governance

In strict accordance with the laws and regulations as well as the relevant rules and requirements of the regulatory authorities, the Company persisted in compliant operation, strengthened strategic leadership, maintained sustainable and healthy corporate development and safeguarded the interests of all shareholders of the Company. The actual situation of the corporate governance structure of the Company did not substantially deviate from the provisions and requirements of the relevant documents of the CSRC.

- 1. Continuously strengthening corporate governance to regulate operations.** The Company has integrated the strengthening of the Party's leadership into its corporate governance, and continued to improve the corporate governance mechanism with clear division of work and responsibilities, coordinated operation and effective checks and balances in strict accordance with, among others, the Articles of Association, the Rules of Procedure of the Shareholders' General Meeting, the Rules of Procedure of the Board of Directors, the Rules of Procedure of the Supervisory Committee, the Rules of Work of the General Manager and the rules of work of special committees. In 2022, the Company revised, released and implemented 9 rules, including the Articles of Association.

2. **Continuously strengthening information disclosure management.** The Company disclosed information in strict compliance with the legal and regulatory requirements of the CSRC, the SSE and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the relevant provisions of the Administrative Measures on Information Disclosure of the Company, and ensured that the information was disclosed in a true, accurate, complete, timely and fair manner. During the reporting period, the Company published and disclosed 132 announcements and documents on the SSE as well as 149 announcements in traditional Chinese and 58 announcements in English on the Stock Exchange. We continuously monitored the information disclosure of the Company. The Company’s announcements and circulars were disclosed on the SSE, the Stock Exchange and the Company’s website and designated newspapers (if required) in accordance with the requirements of the listing rules of the listed places, and there were no false records, misleading statements or material omissions, which effectively fulfilled the information disclosure obligations and safeguarded the legitimate rights and interests of the investors.

3. **Effectively managing investor relations.** In 2022, the Company communicated with investors and analysts through various means such as organizing results conferences, conference calls, roadshows and general meetings to expand the Company’s influence in the capital market. The Company held results presentation after publication of quarterly, interim and annual reports, at which senior management reported on the Company’s performance and latest developments and answered questions from investors and analysts. On 30 March 2022, 2 September 2022 and 25 November 2022, we held annual results, interim results and quarterly results investor briefing sessions at the SSE Roadshow Center to provide investors with an introduction to the Company. The Company arranged dedicated staff to answer calls and receive emails from investors, and patiently and meticulously recorded and answered questions raised by investors. Through various channels and means, we maintained good communication with investors, thereby continuously enhancing our corporate image and social influence.

(VI) Compliance with Corporate Governance Code

The Company has established a corporate governance system in accordance with the relevant requirements of the Corporate Governance Code and the Corporate Governance Report (the “**CG Code**”) in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, which were applicable in 2022. The Articles of Association, the terms of reference of the strategy committee, the audit committee, the risk control committee, the remuneration committee and the nomination committee, the terms of reference of the supervisory committee and the code of conduct for dealing in securities by directors and relevant employees collectively form the reference for the Company’s code of corporate governance practices. In 2022, the Company has complied with the requirements of the code provisions as set out in the CG Code and has adopted recommended best practices where applicable.

III. WORK PLAN FOR 2023

2023 is the opening year for the full implementation of the spirit of the 20th CPC National Congress and the foundation year for the second half of the 14th Five-Year Plan. The board of directors will carry the earnest expectation of shareholders, take Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guidance, fully implement the spirit of the 20th CPC National Congress, anchor on the annual target, base on the double track of transportation and energy, grasp the key tasks in a more detailed and practical manner, achieve high quality growth of scale and efficiency, and create greater profit and value for the society, shareholders and employees with more excellent results!

Board of directors

Zhuzhou CRRC Times Electric Co., Ltd.

* *The 2022 work report of the Board of Directors is written in Chinese. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.*

**ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.
2022 WORK REPORT OF THE SUPERVISORY COMMITTEE**

In 2022, strictly in accordance with the relevant provisions of the Company Law of the PRC (the “**Company Law**”) and other laws and regulations and the Articles of Association and the Rules of Procedure of the Supervisory Committee, all members of the supervisory committee of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) exercised their powers and functions in compliance with the law, performed their duties diligently and conscientiously to safeguard the interests of all shareholders, conducted supervision and examination on the legal compliance of the Company’s financial affairs, the implementation of the resolutions of the general meetings, the major decision-making procedures of the board of directors and the operation and management activities of the Company and the performance of the duties of directors and senior management, safeguarded the interests of all shareholders, actively exercised supervisory functions and strengthened the effectiveness of supervision, thereby effectively ensuring the sustainable and healthy development of the Company. The sixth session of the supervisory committee of the Company consists of four members, namely Mr. Li Lüe, being the chairman of the supervisory committee, Mr. Pang Yiming and Mr. Zhou Guifa, being the employee representative supervisors, and Mr. Geng Jianxin, being the independent supervisor.

I. WORK OF THE SUPERVISORY COMMITTEE IN 2022

During the year ended 31 December 2022 (the “**Reporting Period**”), the Company’s supervisors strengthened their study and diligently performed their duties, supervised the Company’s financial status, the use of proceeds, the implementation of the decisions made by the board of directors, the operation of the risk control system and major operation and management; and supervised the performance of duties of the Company’s directors and senior management. The specific work is as follows:

(I) Meetings

During the Reporting Period, the supervisory committee held 7 meetings to consider 30 resolutions. The meetings were convened in strict accordance with the relevant provisions of the Company Law of the PRC, the Articles of Association and the Rules of Procedure of the Supervisory Committee. Details of the meetings are as follows:

1. On 25 January 2022, the 17th meeting of the sixth session of the supervisory committee was convened through teleconference, at which the Resolution on the Use of Funds Raised to Replace Self-financing Funds Pre-invested in Fund-raising Projects and Paid Issue Expenses, was considered and approved.
2. On 29 March 2022, the 18th meeting of the sixth session of the supervisory committee was convened in the combined forms of on-site meeting and teleconference, at which 13 resolutions, including the Resolution on the 2021 Annual Report and its Summary of the Company, the Resolution on the 2021 Annual Financial Accounts Report of the Company and the Resolution on the 2021 Work Report of the Supervisory Committee, were considered and approved.

3. On 26 April 2022, the 19th meeting of the sixth session of the supervisory committee was convened in the combined forms of on-site meeting and teleconference, at which six resolutions, including the Resolution on the Report of the Company for the First Quarter of 2022 and the Resolution on the Appointment of the Auditors of the Company for 2022, were considered and approved.
4. On 26 August 2022, the 20th meeting of the sixth session of the supervisory committee was convened in the combined forms of on-site meeting and teleconference, at which five resolutions, including the Resolution on 2022 Interim Report and its Summary of the Company and the Resolution on the Special Report on the Deposit and Actual Use of the Company's Funds Raised for the Half-yearly Period of 2022, were considered and approved.
5. On 14 October 2022, the 21st meeting of the sixth session of the supervisory committee was convened in the combined forms of on-site meeting and teleconference, at which two resolutions, including the Resolution on the Third Quarterly Report of the Company for 2022, the Resolution on the Change in the Mode of Investment of Funds Raised and Increase in Capital to Subsidiaries, were considered and approved.
6. On 25 November 2022, the 22nd meeting of the sixth session of the supervisory committee was convened in the combined forms of on-site meeting and teleconference, at which two resolutions, including the Resolution on the Extension of Part of the Project to be Invested, Addition of Part of the Implementation Subject of the Project to be Invested and Use of Proceeds to Provide Loans to the Additional Implementation Subject for the Implementation of the Project to be Invested, the Resolution on the Supplemental Agreement to the 2022-2024 Product and Supporting Service Mutual Supply Framework Agreement Between the Company and Taiyuan CRRC Times Rail Engineering Machinery Co., Ltd. and the Increase on the Maximum Amount of the Daily Related Party Transactions, were considered and approved.
7. On 28 December 2022, the 23rd meeting of the sixth session of the supervisory committee was convened through teleconference, at which the Resolution on the 2023-2025 Product and Supporting Service Mutual Supply Framework Agreement Between the Company and Qingdao CRRC Electric Equipment Co., Ltd. and Routine Related Party Transactions was considered and approved.

(II) Attendance/presence at other important meetings

During the Reporting Period, members of the supervisory committee attended nine board meetings and presented as non-voting attendees at four general meetings, conducted effective supervision on the convening procedures, resolutions and voting procedures of the Company's general meetings and board meetings in accordance with relevant national laws and regulations, and upon listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange, sent a supervisor to supervise the voting process at the general meetings and board meetings in accordance with newly revised rules and regulations, and supervised the implementation of the resolutions of the general meetings by directors and senior management.

II. OPINION OF THE SUPERVISORY COMMITTEE REGARDING COMPLIANT AND LEGAL OPERATIONS OF THE COMPANY

In 2022, the supervisory committee supervised over and checked on the legal performance of duties of the directors and senior management of the Company, establishment of the internal control system of the Company as well as its sound and consistent implementation. The supervisory committee was of the view that the directors and senior management of the Company complied with national laws and regulations, performed their duties diligently and conscientiously implemented the resolutions and authorisations of the general meetings and board meetings. The major decisions for the operation of the Company were made in a reasonable, legitimate and effective way, information disclosure was in line with norms, and there were no acts detrimental to the interests of the Company and shareholders' rights and interests.

III. OPINION OF THE SUPERVISORY COMMITTEE REGARDING EXAMINATION ON THE COMPANY'S FINANCIAL CONDITIONS

During the Reporting Period, members of the supervisory committee reviewed the Company's financial reports, considered the Company's regular reports and the audit reports of the accounting firm, and inspected and supervised the Company's financial operations. The supervisory committee was of the view that the contents of the Company's financial reports were a true, accurate and complete representation of the financial position and operating results of the Company and its subsidiaries (the "Group"), and the financial budget was effectively implemented. Deloitte Touche Tohmatsu Certified Public Accountants LLP, the Company's auditor, issued a standard unqualified opinion in its audit report on the 2021 financial report of the Company.

IV. OPINION OF THE SUPERVISORY COMMITTEE REGARDING THE MANAGEMENT AND USE OF THE FUNDS RAISED BY THE COMPANY

During the Reporting Period, the supervisory committee supervised the use of funds raised by the Company. The supervisory committee was of the view that the use of the funds raised was in compliance with the Regulatory Guidelines for Listed Companies No. 2 – Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies, the Self-regulatory Guidelines for Listed Companies on the Science and Technology Innovation Board of the Shanghai Stock Exchange No. 1 – Compliant Operation, the Rules Governing the Listing of Securities on the Science and Technology Innovation Board of the Shanghai Stock Exchange, the Rules for Management of Funds Raised through A Share Issuance of the Company and other relevant requirements.

V. SUPERVISION ON RELATED PARTY TRANSACTIONS OF THE COMPANY

In 2022, the supervisory committee supervised the related party transactions conducted by the Company during the Reporting Period. The supervisory committee was of the view that the related party transactions of the Company were carried out in accordance with the laws and regulations such as the Company Law, the Securities Law, the listing rules of the places where the Company is listed and the provisions of the Articles of Association of the Company and the Administrative Measures on Related Party Transactions of the Company, and that the pricing of the related party transactions was fair and did not violate the principles of openness, fairness and impartiality, and that there was no damage to the interests of the Company and the minority shareholders.

VI. SPECIAL EXPLANATION OF THE SUPERVISORY COMMITTEE ON THE INTERNAL CONTROL OF THE COMPANY

In 2022, the supervisory committee reviewed the 2021 Internal Control Evaluation Report of Zhuzhou CRRC Times Electric Co., Ltd. and had no objection to the report. In addition, Deloitte Touche Tohmatsu Certified Public Accountants LLP issued the Internal Control Assessment Report of Zhuzhou CRRC Times Electric Co., Ltd., and considered that the Company maintained effective internal control of financial statements in all material respects in accordance with the requirements of the Basic Practices of Internal Control of Enterprises as at 31 December 2021. In 2022, the Company's key internal control activities were compliant, legal and effective without breaching the relevant requirements of the securities regulatory authorities and the Company's internal control system.

In 2023, the supervisory committee will continue to perform its duties in strict accordance with the Company Law, the Articles of Association and other relevant regulations, fully express its opinions, consider and vote on matters in a prudent and independent manner, fully utilize the functions of the supervisory committee in the governance of listed company and provide effective protection for the high-quality development of the Company.

Supervisory committee
Zhuzhou CRRC Times Electric Co., Ltd.

* *The 2022 work report of the Supervisory Committee is written in Chinese. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.*

According to the requirements of daily business operations, the Company expects to have ordinary related party transactions with related parties in 2024-2026, including purchases and sales of commodities, acceptance and provision of services, leases etc. According to the requirements of the SSE, in order to facilitate the normal development and review of ordinary related party transactions, the Company prepared the estimations on the amount of ordinary related party transactions for 2024-2026. Details are as follows:

I. ESTIMATIONS AND IMPLEMENTATION OF PREVIOUS ORDINARY RELATED PARTY TRANSACTIONS

Unit: RMB ten thousand

Category of Related Party Transactions	Related Parties	Estimated	Actual Amount	Estimated	Actual Amount	Estimated	Actual Amount
		Amount in 2021	Incurred in 2021	Amount in 2022	Incurred in 2022	Amount in 2023	Incurred from 1 January to 28 February 2023
Selling products, provision of services to related parties	Shiling Company	41,300	0	44,600	0	44,600	0
	Zhuzhou Siemens	50	2.37	50	0	50	0
	CRRRC Hofer	6,000	1948.12	25,000	11,905.15	30,000	2,186.71
	Wuxi Times	30,000	0	30,000	2,315.18	30,000	0
	Foshan Zhongshi	2,970	0	6,300	1,444.64	13,500	1,215.70
Purchasing products, acceptance of services from related parties	Shiling Company	43,000	842.81	46,300	223.56	46,300	30.18
	Zhuzhou Siemens	50	0	50	0	50	0
	CRRRC Hofer	3,000	710.20	5,000	43.40	5,000	0
	Wuxi Times	30,000	0	30,000	1,891.16	30,000	608.63
	Foshan Zhongshi	3,300	0	7,000	1,439.70	15,000	0
Leasing of properties/equipment to related parties	Zhuzhou Siemens	60	41.79	60	32.27	60	0

II. ESTIMATED AMOUNT AND CATEGORY OF THE ORDINARY RELATED PARTY
TRANSACTIONS*Unit: RMB ten thousand*

Category of Related Party Transactions	Related Parties	Estimated Amount in 2024	Estimated Amount in 2025	Estimated Amount in 2026
Selling products, provision of services to related parties	Shiling Company	1,000	1,000	1,000
	Zhuzhou Siemens	50	50	50
	CRRC Hofer	45,000	–	–
	Wuxi Times	18,000	20,000	23,000
	Foshan Zhongshi	34,560	69,120	69,120
Purchasing products, acceptance of services from related parties	Shiling Company	1,000	1,000	1,000
	Zhuzhou Siemens	50	50	50
	CRRC Hofer	5,000	–	–
	Wuxi Times	20,000	22,000	25,000
	Foshan Zhongshi	38,400	76,800	76,800
Leasing of properties/equipment to related parties	Zhuzhou Siemens	60	60	60

III. PROFILE OF RELATED PARTIES AND RELATIONSHIP WITH RELATED PARTIES

1. Shiling Company

Legal representative: Yan Changqi (顏長奇)

Registered capital: USD14 million

Nature of company: Sino-foreign joint venture company with limited liability

Registered address: No. 9 Haitian Road, Tianyuan District, Zhuzhou City, Hunan Province

Scope of business: General items: manufacturing of high-speed railway equipment and accessories; manufacturing of urban rail transit equipment; sales of special rail transit equipment, key systems and components; repair of special equipment; repair of electrical equipment; information technology consulting services; research and development of machinery and equipment; leasing of non-residential real estate (Except for items subject to approval by the relevant laws, business activities can be carried out independently with the business license in accordance with the relevant laws)

Shareholding structure: 50% of the shares are held by the Company, 40% of the shares are held by Mitsubishi Electric Corporation (三菱電機株式會社) and 10% shares are held by Mitsubishi Electric (China) Co. Ltd. (三菱電機(中國)有限公司)

Relationship with the related party: Yan Changqi and Yi Weihua, deputy general managers of the Company, concurrently serve as directors of Shiling Company. Therefore, Shiling Company constitutes a related party of the Company under the SSE Sci Tech Listing Rules

2. CRRC Hofer

Legal representative: Yu Kang (余康)

Registered capital: EUR40 million

Nature of Company: Sino-foreign joint venture company with limited liability

Registered address: No.30, Yanxin East Road, Huishan Economic Development Zone, Wuxi

Scope of business: Research and development, manufacturing, sales and technical services of powertrain system for new energy vehicle, research and development, sales and technical services of automotive electrical control software, wholesale, commission agent (excluding auction), import and export business of the above products. (The import and export of the above commodities do not involve state-owned trade management commodities, those involving quota and license management commodities, the application shall be made in accordance with relevant national regulations)

Shareholding structure: 49% of the shares are held by CRRC Times Electric (Hong Kong) Co., Limited (a wholly-owned subsidiary of the Company), 39% of the shares are held by hofer powertrain international GmbH and 12% of the shares are held by Wuxi Huicheng Yuanda Investment Partnership (Limited Partnership) (無錫惠程遠達投資合夥企業(有限合夥))

Relationship with the related party: Yu Kang, the deputy general manager of the Company, concurrently serves as chairman of CRRC Hofer. Therefore, CRRC Hofer constitutes a related party of the Company under the SSE Sci Tech Listing Rules

3. Wuxi Times

Legal representative:	Yu Kang (余康)
Registered capital:	RMB50 million
Nature of company:	Limited liability company
Registered address:	15/F, United Financial Building, No.8, 8th Financial Street, Wuxi Economic Development Zone
Scope of business:	Permitted items: general contracting of properties construction and municipal infrastructure projects; inspection and testing services; construction engineering design; construction engineering survey (for items subject to approval in accordance with the relevant laws, business activities can only be carried out with the approval of relevant authorities, and the specific business items shall be subject to the results of approval); general items: software development; technical services, technology development, technology consultation, technology exchange, technology transfer and technology promotion; engineering and technological research, test and development; information system integration service; intellectual property services; science and technology promotion and application services; science and technology intermediary service; research and development of mechanical equipment; research and development of intelligent robots; sales of intelligent robot; sales of vibration and noise reduction equipment; sales of internet equipment; sales of railway transport infrastructure equipment; sales of railway transport equipment; wholesale of computer hardware and software and auxiliary equipment; retail of computer hardware and software and auxiliary equipment; sales of software; sales of terminal test equipment; sales of machinery equipment; sales of electronic special equipment; sales of Internet of Things equipment; sales of cloud computing equipment. (Except for items subject to approval by the relevant laws, business activities can be carried out independently with the business license in accordance with the relevant laws)
Shareholding structure:	46% of the shares are held by the Company, 35% of the shares are held by Wuxi Metro Group Co., Ltd. (無錫地鐵集團有限公司) and 19% of the shares are held by China Railway Fourth Survey and Design Institute Group Co., Ltd. (中鐵第四勘察設計院集團有限公司)
Relationship with the related party:	Yu Kang, the deputy general manager of the Company, concurrently serves as chairman of Wuxi Times. Therefore, Wuxi Times constitutes a related party of the Company under the SSE Sci Tech Listing Rules

4. Foshan Zhongshi

Legal representative:	Chen Hao (陳浩)
Registered capital:	RMB80 million
Nature of company:	Other limited liability company
Registered address:	Room 402 and 403, Building 12, Area 2, International Chuangzhi Park, No.8 Gangkou Road, Guicheng Street, Nanhai District, Foshan, Guangdong, China (subject to domicile declaration)
Scope of business:	General items: technology services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; mechanical and electrical equipment manufacturing; rail transit communication signal system development; intelligent control system integration; rail transit operation management system development; information system integration services; communication equipment manufacturing; urban rail transit equipment manufacturing; sales of information security equipment; sales of basic equipment for railway transportation; sales of electrical signaling equipment and devices; sales of special equipment, key systems and components for rail transit; sales of software; development of AI application software; 5G communication technology services; software outsourcing services; information technology consulting services; cloud computing equipment technology services; engineering and technology research and experimental development. (Except for items subject to approval by the relevant laws, business activities can be carried out independently with the business license in accordance with the relevant laws). Permitted items: manufacturing of railway transportation infrastructure equipment; urban public transport. (For items subject to approval in accordance with the relevant laws, business activities can only be carried out with the approval of relevant authorities, and the specific business items shall be subject to the approval documents or licenses granted by the relevant departments)
Shareholding structure:	40% of the shares are held by the Company, 40% of the shares are held by Foshan Fotie Investment Development Co. Ltd. (佛山市佛鐵投資發展有限公司) and 20% of the shares are held by Times Chuangfu
Relationship with related party:	Gong Tong (龔彤), the deputy general manager of the Company, concurrently serves as chairman of Foshan Zhongshi. Therefore, Foshan Zhongshi constitutes a related party of the Company under the SSE Sci Tech Listing Rules. Times Chuangfu and Foshan Zhongshi are associates of CRRC and CRRC Group and also connected persons of the Company under the Hong Kong Listing Rules

5. Zhuzhou Siemens

Legal representative:	Wang Ruipu (王睿璞)
Registered capital:	RMB128.989 million
Nature of company:	Sino-foreign joint venture company with limited liability
Registered address:	169, Times Road, Shifeng District, Zhuzhou, Hunan
Scope of business:	Design, development and manufacturing of AC drive locomotives and other AC drive rail vehicles and their key components; sales of self-manufactured products and provision of the relevant after-sales service
Shareholding structure:	50% of the shares are held by Siemens Mobility Holding Co., Ltd. (西門子交通控股有限公司), 30% of the shares are held by the Company and 20% of the shares are held by CRRC Zhuzhou
Relationship with related party:	Yan Changqi (顏長奇), the deputy general manager of the Company, concurrently serves as a director of Zhuzhou Siemens. Therefore, Zhuzhou Siemens constitutes a related party of the Company under the SSE Sci Tech Listing Rules. CRRC Zhuzhou is a shareholder of the Company and also a wholly-owned subsidiary of CRRC (being an indirect controlling shareholder of the Company). Therefore, CRRC Zhuzhou and Zhuzhou Siemens are associates of CRRC and CRRC Group and also connected persons of the Company under the Hong Kong Listing Rules

IV. BASIS FOR PRICING OF ORDINARY RELATED PARTY TRANSACTIONS

Ordinary related party transactions are carried out based on the principles of voluntariness, equality, mutual benefit and fairness and on normal commercial terms. The Group's purchases, sales of goods, acceptance and provision of services, properties leasing and other transactions between the Group and related parties are basically the same with non-related parties for such transactions, in terms of transaction method and transaction pricing principles. Under the principle of fairness, the consideration of the transaction is determined based on bidding price, market price or an agreed price calculated on the basis of the actual or reasonable cost of such products and/or services etc. plus a reasonable profit margin, without prejudice to the interests of the Group and non-related/connected Shareholders.

V. PURPOSE OF ORDINARY RELATED PARTY TRANSACTIONS AND THEIR EFFECTS ON THE COMPANY

The Board has held a meeting to consider and approve the resolution on ordinary related party transactions for 2024-2026.

Directors (including independent non-executive directors) consider that the ordinary related party transactions between the Company and its related parties are normal commercial transactions required by the business development of the Company, and meet the needs of the daily business activities of the Company. The consideration of the transaction price is determined based on bidding price, market price or an agreed price calculated on the basis of the actual or reasonable cost of such products and/or services plus a reasonable profit margin. Pricing of the related party transactions is fair, and without prejudice to the interests of the Company and minority shareholders. The Company remains independent of its related parties in business, personnel, assets, institutions, finance and other aspects. In the course of ordinary transactions, the Company makes decisions on completely independent basis and is not controlled by related parties, which will have no adverse impact on the current and future financial situation and operating results of the Company. The Company will not rely heavily on related parties, and ordinary related party transactions will not adversely affect the Company's ability to continue as a going concern.

VI. DESCRIPTION AND EXECUTION OF AGREEMENTS IN RELATION TO ORDINARY RELATED PARTY TRANSACTIONS

The above-mentioned ordinary related party transactions occur from time to time in the daily business activities of the Group. The Shareholders are requested to authorise the Company at the AGM to sign, amend and implement relevant agreements or contracts (if necessary) on the basis of the needs of business development within the estimated annual transaction caps of ordinary related party transactions for 2024-2026.

VII. IMPLICATIONS UNDER HONG KONG LISTING RULES

Foshan Zhongshi and Zhuzhou Siemens are associates of CRRC and CRRC Group and connected persons of the Company under the Hong Kong Listing Rules, therefore, the ordinary related party transactions between the Company and Foshan Zhongshi, Zhuzhou Siemens, respectively constitute "connected transactions" under Chapter 14A of the Hong Kong Listing Rules.

The ordinary related party transactions between the Company and Foshan Zhongshi and Zhuzhou Siemens in relation to the purchase and sale of goods and the acceptance and provision of services have been included in the CRRC Group mutual supply agreement for 2020 to 2022 (the “**2020-2022 CRRC Group Mutual Supply Agreement**”) and the CRRC Group mutual supply agreement for 2023 to 2025 (the “**2023-2025 CRRC Group Mutual Supply Agreement**”, together with the 2020-2022 CRRC Group Mutual Supply Agreement, the “**Mutual Supply Framework Agreements**”) between the Company and CRRC Group dated 26 March 2019 and 29 March 2022, respectively. The 2020-2022 CRRC Group Mutual Supply Agreement, as well as the annual transaction caps for 2020 to 2022 thereunder, and the 2023-2025 CRRC Group Mutual Supply Agreement, as well as the annual transaction caps for 2023 to 2025 thereunder have complied with the relevant requirements under Chapter 14A of the Hong Kong Listing Rules, and have been considered and approved by the Shareholders on 20 June 2019 and 17 June 2022. As of the Latest Practicable Date, the cumulative actual transaction amounts incurred for ordinary related party transactions in relation to the purchase and sale of goods and the acceptance and provision of services between the Company and Foshan Zhongshi, Zhuzhou Siemens, together with the cumulative annual amounts of other transactions incurred under the Mutual Supply Framework Agreements, have not exceeded the annual transaction caps set out in the Mutual Supply Framework Agreements as approved by the Shareholders. For details of the Mutual Supply Framework Agreements, please refer to the announcements of the Company dated 26 March 2019, 20 June 2019, 29 March 2022 and 17 June 2022 and the circulars dated 30 April 2019 and 17 May 2022.

The above-mentioned ordinary related party transactions of the Company’s leasing of properties/equipment to its related party Zhuzhou Siemens have been covered by the 2018-2027 leasing framework agreement for properties and ancillary equipment and facilities entered into between the Company and CRRC dated 17 August 2018 (the “**Property Leasing Framework Agreement**”). The Property Leasing Framework Agreement and its annual transaction caps for 2018-2027 thereunder have complied with the relevant requirements of Chapter 14A of the Hong Kong Listing Rules. As of the Latest Practicable Date, the cumulative actual transaction amounts incurred for the Company’s ordinary related party transactions for leasing of properties/equipment to the related party Zhuzhou Siemens, together with the cumulative annual amounts incurred in respect of other transactions under the Property Leasing Framework Agreement, did not exceed the annual transaction caps set out in the Property Leasing Framework Agreement. For details of the Property Leasing Framework Agreement, please refer to the Company’s announcement dated 17 August 2018.

If any of the above-mentioned ordinary related party transactions will constitute “connected transactions” as stipulated in Chapter 14A of the Hong Kong Listing Rules, no longer obtain the relevant exemption, will not be included in the Mutual Supply Framework Agreements (or its supplemental or renewal agreement) and/or the Property Leasing Framework Agreement (or their supplemental or renewal agreement) and/or will exceed the annual transaction caps that have been approved by Shareholders or have been disclosed (as the case may be) in the future, the Company will then strictly comply with the relevant requirements under Chapter 14A of the Hong Kong Listing Rules (including but not limited to reporting, announcement, annual review and/or independent Shareholders’ approval (as appropriate)).

In accordance with the applicable laws and regulations of the PRC, the ordinary related party transactions for 2024-2026 shall be proposed at the AGM of the Company for the Shareholders to vote on.

VIII. OPINIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Upon review, the independent non-executive directors of the Company believe that the ordinary related party transactions are necessary for normal operation, can make full use of the resources and advantages of the related parties, achieve complementary advantages and resources reasonable allocation and obtain better efficiency, and thus the transactions are necessary. The pricing basis of these related party transactions is fair and reasonable, and without prejudice to the interests of the Company and its shareholders, especially the minority shareholders. They have no adverse impact on the Company's current and future financial status and operating results, and the Company will not rely on the related parties as a result.

The resolution on estimations on ordinary related party transactions for 2024-2026 was considered and approved by the Board, and is hereby submitted to the Shareholders for consideration and approval at the AGM, and the Shareholders are also proposed to authorise any executive Director or management personnel and relevant person(s) of the Company to execute, amend and perform relevant transaction agreements and auxiliary documents within the annual transaction caps of ordinary related party transactions for 2024-2026 approved by the Shareholders.

CANDIDATES FOR EXECUTIVE DIRECTORS

Mr. Li Donglin, deputy of the fourteenth National People's Congress, born in 1967, a Chinese citizen without permanent residency abroad. Mr. Li graduated from Southwest Jiaotong University with a bachelor's degree in Electric Traction and Drive Control in 1989. He is a professor-level senior engineer. Mr. Li joined CRRC ZELRI in July 1989 and held the positions of deputy chief engineer, deputy general manager of the rail transport department, director of the manufacturing centre, and deputy general manager of the sales and marketing centre of CRRC ZELRI. Mr. Li served as the chief marketing officer of the Company from September 2005 to December 2007 and vice president and Party secretary of the Company from December 2007 to December 2009. From January 2010 to April 2010, he served as the general manager of the Company. From April 2010 to January 2016, he served as an executive Director and the general manager of the Company. Mr. Li was a director, the general manager and deputy Party secretary of CRRC ZELRI from December 2015 to May 2018. He has been the chairman of the board of directors and Party secretary of CRRC ZELRI since May 2018. Mr. Li was the Vice Chairman of the Board and an executive Director of the Company from March 2017 to July 2018, and has been the Chairman of the Board and an executive Director of the Company since July 2018. He currently serves as the Chairman of the Board and an executive Director of the Company.

Mr. Liu Ke'an, born in 1971, a Chinese citizen without permanent residency abroad. Mr. Liu graduated from the Department of Electrical Engineering of Tongji University with a bachelor's degree in Industrial Electrical Automation in 1994, from Zhongnan University of Economics and Law with a master's degree in Corporate Management in 2008, and from Central South University with a doctor's degree in transportation and communication engineering in December 2015. He is a professor-level senior engineer. He joined CRRC ZELRI in August 1994 and served as engineer, the chief engineer, senior engineer and the chief designer of CRRC ZELRI. Mr. Liu held various positions such as director of the drive technology department of technology centre, director of systems project department of the technology centre, deputy director and director of the technology centre of the Company since September 2005. He was an employee representative Supervisor of the Company from December 2007 to January 2010, the chief technology officer of the Company from January 2010 to June 2012 and the deputy general manager and the chief engineer of the Company from June 2012 to January 2016. From January 2016 to August 2020, he served as an executive Director and the general manager of the Company. Mr. Liu has been a director and the general manager of CRRC ZELRI since August 2020, and has been the Vice Chairman of the Board and an executive Director of the Company since September 2020. He currently serves as the Vice Chairman of the Board and an executive Director of the Company.

Mr. Shang Jing, born in 1977, a Chinese citizen without permanent residency abroad. Mr. Shang graduated with a bachelor's degree in Mechanical and Electrical Engineering and a master's degree in Power System and Automation from Southwest Jiaotong University in July 2000 and April 2003, respectively. In December 2016, he graduated from Central South University with a doctor degree in control science and engineering. He is a professor-level senior engineer. He joined CRRC ZELRI in July 2003 as an engineer at the R&D centre. He served as an engineer at the technology centre, director and deputy head of the industrial drive department of the Company from September 2005 to May 2011, and the deputy director and director of the foundation and platform research and development centre of CRRC ZELRI Research Institute from June 2011 to February 2015, respectively. He was also the vice chief engineer and the director of the foundation and platform research and development centre of CRRC ZELRI Research Institute from February 2015 to January 2016. He has been serving as the deputy director of the Management Committee of the National Key Laboratories of New Power Semiconductor Devices since February 2016. From January 2016 to September 2020, he served as a deputy general manager and chief engineer of the Company. He has been serving as an executive Director and the general manager of the Company since September 2020.

CANDIDATE FOR NON-EXECUTIVE DIRECTOR

Mr. Zhang Xinning, born in 1964, a Chinese citizen without permanent residency abroad. Mr. Zhang graduated from Northern Jiaotong University (currently known as Beijing Jiaotong University) with a bachelor's degree in electric traction and transmission control in 1986 and a master's degree in system engineering in 2001, respectively. He is a professor-level senior engineer entitled to the special government subsidy from the State Council. Mr. Zhang served as the deputy head of the Equipment Technology Division of the Department of Technology and Education of the Ministry of Railways, the deputy chief engineer, deputy chief engineer and the general manager of the locomotives business department of CSR Group. He also served as the deputy general manager and chief engineer of CRRC Zhuzhou, the chief engineer of CSR Group as well as the chief engineer of CSR. Since June 2015, he has been serving as the chief engineer of CRRC. Mr. Zhang has been a non-executive Director of the Company since August 2017.

CANDIDATES FOR INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Gao Feng, born in 1977, a Chinese citizen without permanent residency abroad. Mr. Gao graduated from Tsinghua University majoring in Electrical Engineering with a bachelor's degree and a master's degree in 2000 and 2003, respectively. He also obtained a doctor's degree in Electrical Engineering from University of Washington in the United States of America in June 2008. He is a professor-level senior engineer. Mr. Gao served as a senior researcher at the sustainable energy and electrical grid laboratory at the Technical University of Berlin in Germany from January 2008 to April 2010. Between April 2010 and April 2015, he was a senior researcher of IBM China Research Institute. Since April 2015, Mr. Gao has been serving as the vice president of the Energy Internet Research Institute of Tsinghua University. From June 2015 to December 2019, Mr. Gao served as a director of Beijing Tsingsoft Technology Co., Ltd.* (北京清軟創新科技股份有限公司). Mr. Gao has been an independent non-executive Director of the Company since August 2018.

Mr. Li Kaiguo, born in 1962, a Chinese citizen without permanent residency abroad. Mr. Li graduated from Hunan University in the PRC with a bachelor's degree in Engineering in 1983. He is a researcher level senior engineer, a Machinery Industrial Scientific Technology Specialist of the PRC, an expert entitled to special grants of the State Council, and the first batch of national candidates for the New Century Hundred-Thousand-Ten Thousand Talents Project* (新世紀百千萬人才工程國家級人選). During the period from August 1983 to February 2000, Mr. Li successively served as an engineer, the deputy head and the head of Component Testing Laboratory of Chongqing Automobile Research Institute* (重慶汽車研究所) ("CARI") (currently known as China Automotive Engineering Research Institute Co., Ltd* (中國汽車工程研究院股份有限公司) ("CAERI"), (stock code: 601965.SH)). Between July 1995 and February 2000, he also concurrently served as the general manager of the Automotive Test Equipment Development Centre* (汽車試驗設備開發中心) of CARI. Between February 2000 and November 2007, Mr. Li served as the deputy director and member of party committee of CARI. Between November 2007 and October 2013, Mr. Li served as the director, deputy general manager and member of party committee of China Automotive Engineering Research Institute Co., Ltd* (中國汽車工程研究院有限公司) (currently known as CAERI). Between October 2013 and May 2022, Mr. Li successively served as director, general manager, deputy secretary of party committee, secretary of party committee and chairman of CAERI. Since May 2022, Mr. Li has been the expert of CAERI and concurrently served as the head of automobile inspection and testing technology committee of China General Technology (Group) Holding Co Ltd (中國通用技術(集團)控股有限責任公司). He also concurrently serves as an independent director of SERES Co., Ltd. (stock code: 601127.SH) since November 2022. Mr. Li has been an independent non-executive Director of the Company since October 2022.

Mr. Zhong Ninghua, born in 1982, a Chinese citizen without permanent residency abroad. Mr. Zhong graduated from Fudan University and Peking University majoring in economics in July 2005 and July 2008 with a bachelor's degree and a master's degree, respectively, and graduated from The Hong Kong University of Science and Technology majoring in finance in March 2013 with a doctor's degree. He successively served as the assistant professor and associate professor in the School of Economics & Management of Tongji University from March 2013 to December 2015, professor and doctoral tutor in the School of Economics & Management of Tongji University since December 2015, director of the Department of Economics and Finance of the School of Economics & Management of Tongji University since October 2017, first level discipline leader of Applied Economics in the School of Economics & Management of Tongji University since January 2018, Vice Dean of School of Economics & Management of Tongji University since December 2021 and tenure-track distinguished professor of School of Economics & Management of Tongji University since January 2022. Mr. Zhong once concurrently served as a short-term consultant to the World Bank and chief expert of the international program of Asian Development Bank. He currently holds the concurrent roles as a specially invited supervisor to the second session of the Shanghai Municipal Supervisory Committee* (上海市監察委員會), political consultancy expert of Shanghai Municipal Committee of Chinese People's Political Consultative Conference, deputy secretary-general of Shanghai Economist Association* (上海市經濟學會) and the vice chairman of Shanghai Fintech Industry Alliance* (上海金融科技產業聯盟).

Mr. Lam Siu Fung, born in 1974, a Chinese citizen with permanent residence in Hong Kong. Mr. Lam graduated from The Chinese University of Hong Kong in 1997 with a bachelor's degree majoring in accounting. He is a certified public accountant in Hong Kong. Mr. Lam successively served as the audit manager and senior manager of Ernst & Young from September 1997 to February 2007, a director of the audit department of Horwath Hong Kong CPA Limited from February 2007 to April 2009, and director of assurance services and leader of family office of BDO Limited since May 2009. Mr. Lam is also a council member of the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), member of the Branding and Communication Committee of the HKICPA, member of Registration Committee of the HKICPA and member of Small and Medium Practices Committee of the HKICPA. Mr. Lam has over 25 years of accounting experience with wide-ranging experience on both Hong Kong and Mainland China auditing and accounting standards, and tax regulations. He once served listed and initial public offering clients operating in a variety of industries including manufacturing, retail business, property development, real estate agency, biotechnology, natural resources, entertainment and media, infrastructure and IT industries.

SUMMARY

If each of Mr. Li Donglin, Mr. Liu Ke'an, Mr. Shang Jing, Mr. Zhang Xinning, Mr. Gao Feng, Mr. Li Kaiguo, Mr. Zhong Ninghua and Mr. Lam Siu Fung is appointed as Director of the seventh session of the Board, they shall hold office for a term of three years, and are subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association. Remunerations of Directors shall be determined based on the remuneration policy as considered and approved at the general meeting. In particular, Mr. Li Donglin, Mr. Liu Ke'an and Mr. Shang Jing, after being appointed as executive Directors, and Mr. Zhang Xinning, after being appointed as the non-executive Director, will not receive Directors' fees. Mr. Gao Feng, Mr. Li Kaiguo and Mr. Zhong Ninghua will be entitled to an annual Directors' fee of RMB100,000 (exclusive of tax) after being appointed as independent non-executive Directors, while Mr. Lam Siu Fung will be entitled to an annual Directors' fee of RMB244,000 (exclusive of tax) after being appointed as an independent non-executive Director. Such remunerations are determined with reference to their experience and duties and responsibilities within the Group, the Company's business performance, remuneration standards in the industry and the market condition. The Company will disclose the remunerations of Directors after the same has been determined. Please refer to the annual report and the circular of general meeting to be published in due course for details.

Save as disclosed above, as at the Latest Practicable Date, each candidate for the Directors of the seventh session of the Board confirms that (i) he has not held any other directorships in any listed companies in Hong Kong or overseas in the last three years, nor any other positions within the Group; (ii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) he does not have any interests in the shares of the Company or its associated corporation(s) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) there are no other matters relating to his appointment that need to be brought to the attention of the Shareholders of the Company nor is there any information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that should be brought to the attention of the Shareholders of the Company or the Stock Exchange.

Since (i) the Board has assessed and reviewed the written confirmation of independence issued by candidates for independent non-executive Directors of the seventh session of the Board in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules; and (ii) none of the candidates for independent non-executive Directors of the seventh session of the Board will be involved in the administrative management or daily operation of the Company, the Board believes that the candidates for independent non-executive Directors of the seventh session of the Board are independent and their proposed appointments are in the interests of the Company and its Shareholders as a whole.

APPENDIX VI BIOGRAPHICAL DETAILS OF CANDIDATES FOR SHAREHOLDER REPRESENTATIVE SUPERVISORS OF THE SEVENTH SESSION OF THE SUPERVISORY COMMITTEE

CANDIDATES FOR SHAREHOLDER REPRESENTATIVE SUPERVISORS

Mr. Li Lüe, born in 1969, a Chinese citizen without permanent residency abroad. Mr. Li graduated from the Hunan Finance and Economics College in July 1990 majoring in accounting. From September 2000 to June 2003, he studied accounting at the Hunan University Network College. In December 2010, Mr. Li graduated from Kunming University of Science and Technology with a master's degree in business administration. He is a professor-level senior accountant. Mr. Li Lüe joined CRRC Zhuzhou in July 1990, where he held several positions including an accountant and chief accountant of the auto body branch, an accountant and the deputy director of the finance department as well as the director of the restructuring office. From November 2005 to March 2006, Mr. Li successively served as the director of the audit department and the secretary to Party branch of CRRC Zhuzhou. From March 2006 to January 2008, he served as chief accountant of CSR Shijiazhuang Vehicle Factory. From January 2008 to December 2010, he served as deputy general manager and chief financial officer of CSR Shijiazhuang Vehicle Co., Ltd. From January 2011 to August 2018, he served as deputy general manager and chief financial officer of Guangzhou Locomotive Co., Ltd. From August 2018 to May 2019, he served as deputy general manager of Guangzhou Locomotive Co., Ltd. Since May 2019, Mr. Li has been serving as deputy general manager and chief financial officer of CRRC ZELRI. Mr. Li has been the Chairman of the Supervisory Committee and a Supervisor of the Company since June 2019.

Mr. Geng Jianxin, born in 1954, a Chinese citizen without permanent residency abroad. In 1987, Mr. Geng graduated from Zhongnan University of Economics and Law majoring in accounting and obtained a master's degree in economics. In 1993, he graduated from Renmin University of China majoring in accounting and obtained a doctorate in management. He is entitled to the special government subsidy from the State Council. From 1993 to 2019, he served as associate professor, professor, doctoral supervisor, director of teaching and research section, executive deputy director, secretary of the Party Committee of the School of Business and chairman of the Academic Committee of the School of Business at Renmin University of China. He is currently a consultant of the China Audit Society, deputy director of the Accounting Society of China, and also serves as an independent director of Capitalonline Data Service Co., Ltd, New China Life Insurance Company Ltd., Suzhou QingYue Optoelectronics Technology Co Ltd. and Norinco International Cooperation Ltd. Mr. Geng has been an independent Supervisor of the Company since June 2011.

SUMMARY

If each of Mr. Li Lüe and Mr. Geng Jianxin is appointed as a shareholder representative Supervisor of the seventh session of the Supervisory Committee, they shall hold office for a term of three years, and are subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association. In particular, Mr. Li Lüe will not receive Supervisors' fees after being appointed as a shareholder representative Supervisor, and the proposed annual remuneration for Mr. Geng Jianxin after being appointed as a shareholder representative Supervisor is RMB100,000 (exclusive of tax), which is determined with reference to his experience and duties and responsibilities within the Group, the Company's business performance, remuneration standards in the industry and the market condition, and is subject to revision by the Shareholders at the general meeting of the Company.

**APPENDIX VI BIOGRAPHICAL DETAILS OF CANDIDATES FOR
SHAREHOLDER REPRESENTATIVE SUPERVISORS OF
THE SEVENTH SESSION OF THE SUPERVISORY COMMITTEE**

Save as disclosed above, as at the Latest Practicable Date, each of Mr. Li Lüe and Mr. Geng Jianxin, candidates for shareholder representative Supervisors of the seventh session of the Supervisory Committee confirms that (i) he has not held any other directorships in any listed companies in Hong Kong or overseas in the last three years, nor any other positions within the Group; (ii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) he does not have any interests in the shares of the Company or its associated corporation(s) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) there are no other matters relating to his appointment that need to be brought to the attention of the Shareholders of the Company nor is there any information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters that should be brought to the attention of the Shareholders of the Company or the Stock Exchange.



株洲中车时代电气股份有限公司

ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

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

(Stock Code: 3898)

NOTICE OF ANNUAL GENERAL MEETING FOR YEAR 2022

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) for year 2022 will be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the People’s Republic of China (the “**PRC**”) on Tuesday, 27 June 2023 at 2:00 p.m. for the shareholders of the Company to consider and, if thought fit, pass the following resolutions. Unless otherwise indicated, capitalised items used herein shall have the same meanings as those defined in the Company’s circular dated 2 June 2023 (the “**Circular**”).

AS ORDINARY RESOLUTIONS

1. To consider and approve the resolution on the Company’s 2022 annual report and its summary.
2. To consider and approve the resolution on the Company’s 2022 final accounts report.
3. To consider and approve the resolution on the 2022 work report of the board of directors of the Company.
4. To consider and approve the resolution on the 2022 work report of the supervisory committee of the Company.
5. To consider and approve the resolution on the 2022 profit distribution plan of the Company.
6. To consider and approve the resolution on the appointment of auditors for 2023.
7. To consider and approve the resolution on the 2023 bank credit lines applications.
8. To consider and approve the resolution on the remuneration of the directors of the Company for 2022.
9. To consider and approve the resolution on the remuneration of the supervisors of the Company for 2022.
10. To consider and approve the resolution on estimations on ordinary related party transactions for 2024-2026.

11. To consider and approve the resolution on the election of executive directors of the seventh session of the board of directors of the Company:
 - 11.1 To elect Mr. Li Donglin as an executive director of the seventh session of the board of directors of the Company;
 - 11.2 To elect Mr. Liu Ke'an as an executive director of the seventh session of the board of directors of the Company; and
 - 11.3 To elect Mr. Shang Jing as an executive director of the seventh session of the board of directors of the Company.

12. To consider and approve the resolution on the election of non-executive director of the seventh session of the board of directors of the Company:
 - 12.1 To elect Mr. Zhang Xinning as the non-executive director of the seventh session of the board of directors of the Company.

13. To consider and approve the resolution on the election of independent non-executive directors of the seventh session of the board of directors of the Company:
 - 13.1 To elect Mr. Gao Feng as an independent non-executive director of the seventh session of the board of directors of the Company;
 - 13.2 To elect Mr. Li Kaiguo as an independent non-executive director of the seventh session of the board of directors of the Company;
 - 13.3 To elect Mr. Zhong Ninghua as an independent non-executive director of the seventh session of the board of directors of the Company; and
 - 13.4 To elect Mr. Lam Siu Fung as an independent non-executive director of the seventh session of the board of directors of the Company.

14. To consider and approve the resolution on the election of shareholder representative supervisors of the seventh session of the supervisory committee of the Company:
 - 14.1 To elect Mr. Li Lüe as a shareholder representative supervisor of the seventh session of the supervisory committee of the Company; and
 - 14.2 To elect Mr. Geng Jianxin as a shareholder representative supervisor of the seventh session of the supervisory committee of the Company.

AS SPECIAL RESOLUTIONS

15. To consider and approve:
- (a) a general mandate to the Board to, by reference to market conditions and in accordance with the needs of the Company, to allot, issue and deal with, either separately or concurrently, additional A shares of the Company (the “**A Shares**”) and/or H shares of the Company (the “**H Shares**”) not exceeding 20% of the number of A Shares and the number of H Shares respectively in issue at the time of passing this resolution at AGM. Pursuant to the PRC laws and regulations, the Company will seek further approval from its shareholders in general meeting for each issuance of A Shares even where this general mandate is approved.
 - (b) the Board be authorised to (including but not limited to the following):
 - (i) formulate and implement detailed issuance plan, including but not limited to the class of shares to be issued, pricing mechanism and/or issuance price (including price range), number of shares to be issued, allottees and use of proceeds, time of issuance, period of issuance and whether to issue shares to existing shareholders;
 - (ii) approve and execute, on behalf of the Company, agreements related to share issuance, including but not limited to underwriting agreement and engagement agreements of professional advisers;
 - (iii) approve and execute, on behalf of the Company, documents related to share issuance for submission to regulatory authorities, and to carry out approval procedures required by regulatory authorities and the places where the Company’s shares are listed;
 - (iv) amend, as required by regulatory authorities within or outside the PRC, agreements and statutory documents referred to in (ii) and (iii) above;
 - (v) to affix the Company’s stamp to relevant agreements and statutory documents;
 - (vi) engage the services of professional advisers for share issuance related matters, and to approve and execute all acts, deeds, documents or other matters necessary, appropriate or required for share issuance;
 - (vii) increase the registered capital of the Company after share issuance, and to make corresponding amendments to the articles of association of the Company relating to share capital and shareholdings etc, and to carry out statutory registrations and filings within and outside the PRC.

The above general mandate will expire on the earliest of (the “**Relevant Period**”):

- (i) the expiration of a period of 12 months following the passing of this special resolution;
- (ii) the conclusion of the next annual general meeting following the passing of this special resolution; and
- (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting,

except where the Board enters into an agreement or grants an offer or option to issue A shares and/or H shares during the Relevant Period and such offer, agreement or option is to be continued or implemented after the Relevant Period.

16. To consider and approve the grant to the Board a general mandate to repurchase the H Shares that:
- (a) Subject to paragraph (b) below, granting of a general mandate to the Board, in compliance with all applicable laws and regulations, the articles of association of the Company, the Stock Exchange and any other government or regulatory authority of the PRC, to exercise all power of the Company to repurchase H Shares during the Relevant Period (as defined below);
 - (b) Subject to obtaining the approval in paragraph (a) above, the total number of H Shares to be repurchased under the general mandate to repurchase H Shares during the Relevant Period shall not exceed 10% of the total number of H Shares in issue on the date the resolution is considered and approved at the AGM, Class Meeting of Holders of A Shares and Class Meeting of Holders of H Shares;
 - (c) The approval in paragraph (a) above shall be subject to the satisfaction of the following:
 - (i) the special resolution with the same terms as listed in this resolution 16 herein (except for sub-paragraph (c) (i) of this resolution 16) is passed at the AGM, Class Meeting of Holders of A Shares and Class Meeting of Holders of H Shares;
 - (ii) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC;

- (d) The Board be authorised to handle relevant matters in relation to the repurchase of H Shares, including but not limited to:
- (i) to formulate and implement specific repurchase plans, including but not limited to repurchase price(s), number of Shares to be repurchased, timing(s) of repurchase and period(s) of repurchase, etc.;
 - (ii) to notify creditors and issue announcement in accordance with the Company Law of the PRC and the articles of association of the Company (the “**Articles of Association**”);
 - (iii) to set up overseas Share accounts and carry out relevant procedures for change of foreign exchange registration;
 - (iv) to carry out the relevant approval, filing and/or disclosure procedures in accordance with laws, regulations, the Articles of Association, requirements of securities regulators of the places where the Shares are listed and any other relevant government or regulatory authorities of the PRC (if necessary);
 - (v) to carry out the cancellation procedures for repurchased Shares, reduce registered capital, and make corresponding amendments to the Articles of Association in respect of the total share capital and shareholding structure, etc., and to carry out the statutory registration and filing procedures within and outside the PRC; and
 - (vi) to execute other documents, and deal with all other necessary or appropriate measures, actions, matters and affairs, in connection with the repurchase of H Shares;
- (e) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until the earliest of:
- (i) the conclusion of the next annual general meeting following the passing of this special resolution; and
 - (ii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting and class meetings (if applicable).

By Order of the Board
Li Donglin
Chairman

Zhuzhou, the PRC, 2 June 2023

Notes:

1. All times stated in this notice refer to Hong Kong time.
2. The votes at the AGM will be taken by poll.
3. Where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, to attend and exercise all the voting powers attached to such Share at the AGM, and the service of this notice to that person shall be deemed to have served on all joint holders of such Share.
4. In order to determine the entitlements of Shareholders to attend and vote at the AGM, the register of members of the Company will be temporarily closed from Wednesday, 21 June 2023 to Tuesday, 27 June 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at the AGM, all transfer documents together with the relevant Share certificates must be lodged, for holders of the H Shares, with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or, for holders of the A Shares, the registered office address of the Company at Times Road, Shifeng District, Zhuzhou, Hunan Province, 412001, the PRC, not later than 4:30 p.m. on Tuesday, 20 June 2023.
5. Holders of the H Shares and the A Shares whose names appear on the register of members of the Company at the close of business on Tuesday, 20 June 2023 are entitled to attend and vote at the AGM and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
6. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be deposited, for holders of the H Shares, to the H Share registrar of the Company or, for holders of the A Shares, the registered office address of the Company, not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof.
7. The address of the H Share registrar of the Company is as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
8. The registered office address of the Company is as follows:

Times Road
Shifeng District, Zhuzhou
Hunan Province, 412001
The People's Republic of China
Tel: (86) 731 2849 8028
9. The principal place of business of the Company in Hong Kong is as follows:

Unit 1106, 11th Floor, Jubilee Centre
18 Fenwick Street
Wanchai, Hong Kong
Tel: (852) 2189 7268
10. The AGM is expected to take half a day. Shareholders or their proxies attending the AGM shall be responsible for their own transportation, accommodation and other expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the AGM.

11. Resolutions Nos. 11, 12, 13 and 14 will adopt the cumulative voting system, that is, the number of votes entitled for each share held by shareholders shall be equal to the number of the director(s) or supervisor(s) to be elected and the voting rights possessed by the shareholders may be exercised uniformly. Specifically: the AGM will list and present candidates according to the election of executive directors, non-executive director, independent non-executive directors and shareholder representative supervisors in a total of four proposal groups. Under each proposal group, the fact that a shareholder owns each voting share means the shareholder possesses the number of votes same as the number of director(s) or supervisor(s) to be elected under the proposal group. For example, if a shareholder holds 100 shares of the Company and there is a total of three directors to be elected in the proposal group for the election of executive directors, the shareholder shall have 300 votes in this proposal group. The number of votes shareholders cast under a proposal group may not exceed the number of votes they own under the proposal group, as they wish. Shareholders can cast all votes available under certain proposal group, to a single candidate or to different candidates in any combination. After the voting process ends, the votes for each proposal under each proposal group shall be counted on an accumulative basis.

As at the date of this notice, our chairman of the Board and executive Director is Li Donglin, our vice chairman of the Board and executive Director is Liu Ke'an, our other executive Directors are Shang Jing and Yan Wu, our non-executive Director is Zhang Xinning, and our independent non-executive Directors are Chan Kam Wing, Clement, Pao Ping Wing, Liu Chunru, Chen Xiaoming, Gao Feng and Li Kaiguo.

**株洲中车时代电气股份有限公司****ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.***(a joint stock company incorporated in the People's Republic of China with limited liability)***(Stock Code: 3898)****NOTICE OF THE FIRST CLASS MEETING OF
HOLDERS OF H SHARES OF 2023**

NOTICE IS HEREBY GIVEN that the first class meeting of holders of H shares of 2023 (the “**Class Meeting of Holders of H Shares**”) of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) will be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the People’s Republic of China (the “**PRC**”) on Tuesday, 27 June 2023 immediately following the conclusions of the annual general meeting of the Company and the class meeting of holders of A shares of the Company or any adjournment thereof which will be held at the same place and on the same date, for the holders of H shares of the Company to transact the following matters. Unless otherwise indicated, capitalised items used herein shall have the same meanings as those defined in the Company’s circular dated 2 June 2023 (the “**Circular**”).

AS SPECIAL RESOLUTION

To consider and approve the grant to the Board a general mandate to repurchase the H Shares that:

- (a) Subject to paragraph (b) below, granting of a general mandate to the Board, in compliance with all applicable laws and regulations, the articles of association of the Company, the Stock Exchange and any other government or regulatory authority of the PRC, to exercise all power of the Company to repurchase H shares of the Company (the “**H Shares**”) during the Relevant Period (as defined below);
- (b) Subject to obtaining the approval in paragraph (a) above, the total number of H Shares to be repurchased under the general mandate to repurchase H Shares during the Relevant Period shall not exceed 10% of the total number of H Shares in issue on the date the resolution is considered and approved at the AGM, Class Meeting of Holders of A Shares and Class Meeting of Holders of H Shares;
- (c) The approval in paragraph (a) above shall be subject to the satisfaction of the following:
 - (i) the special resolution with the same terms as listed in this resolution herein (except for sub-paragraph (c)(i) of this resolution) is passed at the AGM, Class Meeting of Holders of A Shares and Class Meeting of Holders of H Shares;
 - (ii) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC;

- (d) The Board be authorised to handle relevant matters in relation to the repurchase of H Shares, including but not limited to:
- (i) to formulate and implement specific repurchase plans, including but not limited to repurchase price(s), number of Shares to be repurchased, timing(s) of repurchase and period(s) of repurchase, etc.;
 - (ii) to notify creditors and issue announcement in accordance with the Company Law of the PRC and the articles of association of the Company (the “**Articles of Association**”);
 - (iii) to set up overseas Share accounts and carry out relevant procedures for change of foreign exchange registration;
 - (iv) to carry out the relevant approval, filing and/or disclosure procedures in accordance with laws, regulations, the Articles of Association, requirements of securities regulators of the places where the Shares are listed and any other relevant government or regulatory authorities of the PRC (if necessary);
 - (v) to carry out the cancellation procedures for repurchased Shares, reduce registered capital, and make corresponding amendments to the Articles of Association in respect of total share capital and shareholding structure, etc., and to carry out the statutory registration and filing procedures within and outside the PRC; and
 - (vi) to execute other documents, and deal with all other necessary or appropriate measures, actions, matters and affairs, in connection with the repurchase of H Shares;
- (e) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until the earliest of:
- (i) the conclusion of the next annual general meeting following the passing of this special resolution; and
 - (ii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting and class meetings (if applicable).

By Order of the Board
Li Donglin
Chairman

Zhuzhou, the PRC, 2 June 2023

Notes:

1. All times stated in this notice refer to Hong Kong time.
2. The votes at the Class Meeting of Holders of H Shares will be taken by poll.
3. Where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members of H Shares shall be entitled to receive this notice, to attend and exercise all the voting powers attached to such H Share at the Class Meeting of Holders of H Shares, and the service of this notice to that person shall be deemed to have served on all joint holders of such H Share.
4. In order to determine the entitlements of holders of H Shares to attend and vote at the Class Meeting of Holders of H Shares, the register of members of H Shares will be temporarily closed from Wednesday, 21 June 2023 to Tuesday, 27 June 2023 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to attend and vote at the Class Meeting of Holders of H Shares, all transfer documents together with the relevant H Share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 20 June 2023.
5. Holders of the H Shares whose names appear on the register of members of H Shares at the close of business on Tuesday, 20 June 2023 are entitled to attend and vote at the Class Meeting of Holders of H Shares and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
6. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be deposited, to the H Share registrar of the Company not less than 24 hours before the time appointed for holding the Class Meeting of Holders of H Shares or any adjournment thereof.
7. The address of the H Share registrar of the Company is as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
8. The principal place of business of the Company in Hong Kong is as follows:

Unit 1106, 11/F, Jubilee Centre
18 Fenwick Street
Wanchai
Hong Kong
Tel: (852) 2189 7268
9. The Class Meeting of Holders of H Shares is expected to take half a day. Shareholders or their proxies attending the Class Meeting of Holders of H Shares shall be responsible for their own transportation, accommodation and other expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the Class Meeting of Holders of H Shares.

As at the date of this notice, our chairman of the Board and executive Director is Li Donglin, our vice chairman of the Board and executive Director is Liu Ke'an, our other executive Directors are Shang Jing and Yan Wu, our non-executive Director is Zhang Xinning, and our independent non-executive Directors are Chan Kam Wing, Clement, Pao Ping Wing, Liu Chunru, Chen Xiaoming, Gao Feng and Li Kaiguo.