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中國中車股份有限公司
CRRC CORPORATION LIMITED

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

(Stock code: 1766)

ANNOUNCEMENT

PROPOSED CHANGE OF AUDITORS

This announcement is made by CRRC Corporation Limited (“**the Company**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”).

Pursuant to the relevant requirements under the Notice on the Issues Relating to Accounting Firms Undertaking Audit of Final Financial Accounts of Central Enterprises (Cai Kuai [2011] No. 24) (《關於會計師事務所承擔中央企業財務決算審計有關問題的通知》(財會[2011] 24號)) issued by the Ministry of Finance of the PRC (the “**MOF**”) and the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (the “**SASAC**”), accounting firms that undertook audit of final financial accounts for a central enterprise shall be under consecutive terms of not less than 2 years and not more than 5 years; the audit period for accounting firms that ranked among the top 15 of the National Comprehensive Evaluation Ranking of Accounting Firms (全國會計師事務所綜合評價) with excellent audit quality may be extended as appropriate subject to application by relevant enterprises and approval by the SASAC, but the consecutive audit period shall not exceed 8 years. As Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu, the accounting firms currently engaged by the Company, have provided services for the Company for 6 consecutive years, in order to ensure the independence and objectivity of the audit work of the Company, as well as meet the needs of the Company’s actual situation and its business development, the Company proposed not to appoint the above-mentioned accounting firms for audit of the Company’s financial report. Meanwhile, the Company proposed not to appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP as its internal control auditors.

As recommended by the Audit and Risk Management Committee under the board of directors of the Company (the “**Board**”), the Board has resolved to appoint KPMG Huazhen LLP (“**KPMG Huazhen**”) as the financial report auditors and internal control auditors of the Company for the year 2020, and to propose to the annual general meeting (the “**AGM**”) to authorise the Board to determine their remuneration and relevant matters.

The Company has adopted and prepared its financial statements required to be disclosed by the securities regulatory authorities where the Company’s shares are listed in accordance with China Accounting Standards for Business Enterprises only. KPMG Huazhen is a firm of certified public accountants which has been approved by the MOF and China Securities Regulatory Commission and eligible to provide auditing services by adopting the China Standards on Auditing to the issuers incorporated in the PRC mainland and listed in Hong Kong. KPMG Huazhen will undertake the duties of auditors as required by the Hong Kong Listing Rules.

The outgoing auditors have confirmed that there are no matters that need to be brought to the attention of the shareholders of the Company in connection with the proposed change of auditors. The Board has confirmed that it is not aware of any matters that need to be brought to the attention of the shareholders of the Company in connection with the above proposed change.

The above-mentioned proposal in relation to the appointment of KPMG Huazhen as the financial report auditors and internal control auditors of the Company for the year 2020 is subject to the shareholders’ approval at the AGM. A circular containing, among others, such appointment will be despatched to shareholders of the Company as soon as practicable.

By order of the Board
CRRC Corporation Limited
Liu Hualong
Chairman

Beijing, the PRC
25 May 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Liu Hualong, Mr. Sun Yongcai and Mr. Lou Qiliang; and the independent non-executive Directors are Mr. Li Guo’an, Mr. Wu Zhuo and Mr. Sun Patrick.