Important Note: The following is an English translation of the Chinese version of the Terms of Reference of the Remuneration and Evaluation Committee of the Board of Directors of CRCC High-Tech Equipment Corporation Limited. In case of any discrepancies or inconsistencies between the Chinese version and the English version, the Chinese version shall always prevail.

CRCC High-Tech Equipment Corporation Limited (the "Company")
Terms of Reference of the Remuneration and Evaluation Committee of the Board of Directors (the "Committee")

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to improve the decision-making procedures of the board of Directors of the Company (hereinafter referred to as the "Board"), and fully safeguard the legal interests of the Company and its shareholders, the Company has formulated these terms of reference in accordance with the PRC Company Law (中華人民共和國公司法), the Standards on Corporate Governance of Listed Companies (上市公司治理準則) issued by the China Securities Regulatory Commission, the Rules (hereinafter referred to as the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Stock Exchange"), the Articles of Association of the Company (hereinafter referred to as the "Articles") and other relevant rules.

Article 2 The Committee is established by the Board and shall report to the Board.

Article 3 The Committee shall be responsible for formulating and reviewing the remuneration policies and plans for the Directors and senior management; considering the evaluation criteria for Directors and senior management; conducting the evaluation and providing recommendations thereon.

CHAPTER 2 COMPOSITION AND ORGANIZATION OF THE COMMITTEE

Article 4 The Committee shall be composed of three Directors, the majority of whom shall be independent non-executive Directors. The Committee shall have one convener, who shall be an independent non-executive Director. The candidates for the members and the convener shall be proposed by the Chairman of the Board after discussion with relevant Directors subject to consideration and approval by the Board.

Article 5 The powers and duties of the convener of the Committee are as follows:

(1) to be in charge of the work of the Committee;

(2) to convene and preside over regular and extraordinary meetings of the Committee;

(3) to supervise and review the execution of the resolutions at meetings of the Committee;

(4) to execute material documentation of the Committee;

(5) to report to the Board regularly or according to the arrangements of the Board of its duties;

(6) other powers and duties authorized by the Board.

Article 6 The Committee shall consult the Chairman of the Board and/or general manager about their remuneration proposals for other executive Directors. The Committee shall have access to independent professional advice if necessary.

Article 7 The terms of office of the members of the Committee shall be the same as of their directorship. Members of the Committee may be re-elected or re-appointed at the expiry of their terms of office.

No members shall, before the expiration of his/her term of office, be removed from office without reason except for the circumstances that require dismissal as stipulated by laws and regulations, the Articles or these terms of reference.

If any member ceases to be a Director of the Company before the expiry of his/her term of office, he/she shall be automatically disqualified from acting as a committee member, and such vacancy shall be filled by the Board pursuant to Article 4 above.

Any change in the membership of the Committee which involves changes in the Board member shall be approved on a general meeting in accordance with the procedures as required in the Articles and announced in accordance with the regulatory requirements.

Article 8 A member of the Committee may concurrently serve as a member of other committees under the Board, provided that such member is capable of concurrently performing such duties.

Article 9 The working body of the Committee is the department responsible for remuneration and evaluation of the Company. The working body of the Committee is responsible for such daily work as preparing meeting notice, meeting documents, conducting daily contacts with the convener of the Committee, preparing and reporting meeting minutes and meeting resolutions. The working body of the Board is responsible for the specific work including issuing meeting notices, keeping meeting minutes and meeting resolution, jointly preparing for and organizing meetings with the working body of the Committee. The Secretary of the Board is responsible for coordinating the work among the Committee, the working body of the Committee, and the working body of the Board and presenting at the meeting of the Committee.

CHAPTER 3 POWERS AND DUTIES OF THE COMMITTEE

Article 10 The main powers and duties of the Committee are as follows:

(1) remuneration and remuneration policies for the Directors and senior management, including but not limited to the performance evaluation criteria and procedure, the main evaluation system, the major plans and systems for rewards and punishments, etc.;

(2) formulation or amendment of equity incentive schemes and employee stock ownership plans, and achievement of the conditions for grant and exercise of rights by incentive recipients;

(3) arrangements under which the Directors or senior management are to participate in share ownership plans of subsidiaries to be spun off;

(4) to make recommendations to the Board regarding the overall remuneration policy and structure for the Company's directors and senior management, as well as the establishment of a formal and transparent procedure for formulating remuneration policies;

(5) to review and approve management's remuneration proposals based on the corporate policies and objectives set by the Board;

(6) to formulate the management rules and remuneration plans of the Directors and senior management and to propose to the Board with respect to specific remunerations of such persons, which shall include benefits in kind, pension rights and compensation payment (including compensation payable for loss or termination of office or appointment);

(7) to consider the remuneration paid by comparable companies, the time commitment and responsibilities required, and the employment conditions of other positions within the Company;

(8) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

(9) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such they are consistent with contractual terms and are otherwise reasonable and appropriate;

(10) to ensure that no Director or any of his associates is involved in deciding his own remuneration;

(11) to review and/or approve matters related to share schemes as described in Chapter 17 of the Listing Rules;

(12) other matters as required by laws, administrative regulations, the CSRC, the Listing Rules and the Articles.

If the Board does not adopt or does not fully adopt the recommendations of the Committee, it shall record the Committee's opinions and the specific reasons for not adopting them in the Board resolution, and shall make disclosure accordingly.

Article 11 The Committee shall report to the Board. The motions raised by the Committee shall be submitted for the review and approval by the Board, unless otherwise authorized by the Board.

Article 12 Any remuneration plan proposed by the Committee shall be agreed on by the Board and then submitted to the shareholders' general meeting for consideration and approval prior to implementation. Any proposal of remuneration distribution plan for senior management of the Company shall be submitted to the Board for approval.

Article 13 The Board has the veto right to remuneration proposals which are detrimental to the interests of all shareholders.

Article 14 The Company shall provide necessary funds and other resources to the Committee for performing its duties.

Article 15 The Committee shall respond to the invitation by the Chairman of the Board and have the convener of the Committee (or, where the convener is unable to present, another member or his or her authorized representative) attend each annual general meeting and answer questions raised thereon.

Article 16 The Committee shall make available these terms of reference, explaining its role and the authority delegated to it by the Board by including them on the Company's website and Stock Exchange's website according to the Listing Rules.

CHAPTER 4 WORK PROCEDURES OF THE COMMITTEE

Article 17 The working body of the Committee and relevant departments of the Company are responsible for the preparatory work in relation to the decision-making of the Committee and to provide relevant written materials in accordance with the requirements of the Committee in a timely, integral and accurate manner, including:

(1) the progress of fulfillment by the Company of its key financial targets and business objectives;

(2) the division of labor of the Company's senior management and the execution of their respective main duties;

(3) the progress of target achievement considered in the appraisal system of working performance of Directors and senior management;

(4) the basis for formulating the Company's plans and remuneration distribution methods based on the Company's performance.

Article 18 The Committee shall appraise generally after the end of financial year; specific appraisement shall be conducted when it involves change of the Board and the appointment of senior management. The procedures of appraisement are as follows:

(1) the Directors and senior management officers of the Company shall report their work and provide self-appraisals to the Committee;

(2) the Committee shall carry out performance appraisal of the Directors and senior management according to the performance appraisal criteria and procedures;

(3) the innovation capability and business potential of the Directors and senior management of the Company shall be assessed.

Article 19 A proposal on the amounts of remuneration and incentive methods for the Directors and senior management based on the results of performance appraisal and the remuneration policies shall be made and, after being passed by voting, reported to the Board.

CHAPTER 5 MEETINGS OF THE COMMITTEE

Article 20 Meetings of the Committee can be classified into regular meetings and extraordinary meetings.

Article 21 The Committee shall hold at least one regular meeting annually.

Article 22 The Committee shall hold an extraordinary meeting if proposed by two or more members of the Committee or the convener of the Committee.

Article 23 A notice of the meeting stating the date and venue of the meeting, form of meeting, reason and proposed resolution, convener and chairperson of the meeting shall be given to all members of the Committee three days prior to the convening of a meeting by phone, e-mail, or fax.

Article 24 A meeting of the Committee shall be presided over by the convener of the Committee or if he/she is unable to attend, another member (independent non-executive Director) of the Committee designated by him/her.

Article 25 A meeting of the Committee shall not be held unless attended by more than two-thirds of its members.

Article 26 Members of the Committee shall attend the meeting in person or in a manner of teleconference or by aid of similar communication equipment. If the member is unable to attend the meeting for certain reason, he/she may authorize another committee member in writing to attend the meeting on his/her behalf. The power of attorney shall set forth the scope of authorization.

Article 27 If a meeting of the Committee is held, the Committee may invite the Company's other Directors and senior management to sit in on the meeting when necessary. If necessary, the Committee may also engage the intermediaries to provide individual and professional opinions on its decision-makings, and shall sign a confidentiality agreement. All the expenses caused thereby shall be borne by the Company.

Article 28 Voting at the Committee's meetings shall be by poll or by a show of hands and each member shall have one vote. The resolutions adopted at the meetings shall be effective only when being approved by more than half of all members.

Article 29 A meeting of the Committee may be held by way of written resolutions. Written resolutions shall be dispatched by facsimile, by courier or by hand or otherwise to all members, and shall be returned in original copies to the Company for filing after deliberation by the members. A proposal signed by consenting members satisfying the threshold hereunder shall become an effective resolution of the Committee.

Article 30 Where a member of the Committee is involved in the matter being discussed at the meeting of the Committee, he/she shall be abstained from attending such meeting.

Article 31 The procedures for convening a meeting of the Committee, the voting method and the remuneration policies and allocation plans passed at such meeting shall be in compliance with the provisions of the relevant laws, regulations, the Articles and these terms of reference.

Article 32 Resolutions passed at the meeting of the Committee and any vote results shall be reported to the Board in writing.

Article 33 Members attending and sitting in on the meeting of the Committee shall undertake confidentiality obligations for all items discussed at the meeting and shall not disclose the relevant information.

Article 34 There shall be complete minutes of the meeting of the Committee. Members attending the meetings shall sign the minutes. The meeting minutes shall be kept by the working body of the Board and made available for inspection by Directors at any time.

Article 35 The first draft of the meeting minutes of the Committee shall be submitted to all members for review as soon as possible and members shall provide written amendment suggestions. The final draft of the meeting minutes shall be finished within a reasonable time after the meetings and shall be sent to all the members for record.

CHAPTER 6 THE SUPERVISION AND ASSESSMENT SYSTEM OVER THE COMMITTEE BY THE BOARD

Article 36 The Committee is supervised by the Board which would assess the work of the Committee at the end of each year.

Article 37 The criteria of assessment mainly include:

(1) whether the terms of reference satisfy the requirements of the laws and regulations and regulatory requirements;

(2) whether the members of the Committee are independent of the management of the Company;

(3) whether each member has the legal qualification, appropriate professional capabilities and experience for taking office;

(4) whether each member fully understands and performs his/her duties.

Article 38 The Committee shall submit the annual work report to the Board within four months from the end of each accounting year.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 39 The Directors as referred in these terms of reference shall refer to all members of the Board; the members of senior management as referred in these terms of reference shall refer to the general manager, assistant general manager, chief accountant, chief economist, chief engineer and Secretary of the Board as engaged by the Board.

Article 40 These terms of reference shall become effective from the date of approval by the Board, and the same shall apply to any amendments thereto.

Article 41 The right of interpretation to these terms of reference shall be vested to the Board.

Article 42 Any matters not covered by these terms of reference or in the event that these terms of reference are inconsistent with the national laws and regulations, the listing rules of the place where the shares of the Company are listed or the Articles as promulgated or amended after these terms of reference become effective, such laws, regulations, listing rules of the place where the shares of the Company are listed or the Articles formulated or revised through legal procedures shall prevail and these term of reference shall be amended forthwith and submitted to the Board for approval.