
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, 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 forms of proxy for the AGM 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 2025**
(2) PROPOSED BANK CREDIT LINE APPLICATIONS
(3) GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES
(4) GENERAL MANDATE TO REPURCHASE H SHARES
(5) PROPOSED APPOINTMENT OF DIRECTORS
(6) NOTICE OF ANNUAL GENERAL MEETING
AND
(7) NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF
H SHARES OF 2026

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 Friday, 26 June 2026 at 09:30 a.m. Notices convening the AGM and the Class Meeting of Holders of H Shares are set out on pages 8 to 12 and 13 to 14 of this circular, respectively.

Whether or not you intend to attend the AGM, 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.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	5
NOTICE OF ANNUAL GENERAL MEETING	8
NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF H SHARES OF 2026	13
APPENDIX I – MATTERS TO BE RESOLVED AT THE AGM	15
ANNEX A – 2025 WORK REPORT OF THE BOARD OF DIRECTORS	30
ANNEX B – THE REMUNERATION MANAGEMENT SYSTEM FOR THE DIRECTORS AND SENIOR MANAGEMENT.....	46
ANNEX C – EXPLANATORY STATEMENT.....	51
ANNEX D – BIOGRAPHIES OF THE CANDIDATES FOR EXECUTIVE DIRECTORS AND INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE EIGHTH SESSION OF THE BOARD	56

DEFINITIONS

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

“2025”	the year ended 31 December 2025
“2026”	the year ended 31 December 2026
“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 2025 of the Company to be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the PRC on Friday, 26 June 2026 at 09:30 a.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
“Board Meeting Rules”	the Rules of Procedures for the Board of Directors of the Company, as amended from time to time
“Cash Dividend(s)”	the proposed cash dividend of RMB0.68/Share (tax inclusive) for eligible shareholders on the record date of dividend distribution
“Class Meeting of Holders of A Shares”	the 2026 first class meeting of holders of A Shares to be convened and held on Friday, 26 June 2026 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 2026 first class meeting of holders of H Shares to be convened and held on Friday, 26 June 2026 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

DEFINITIONS

“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)
“Company Law”	the Company Law of the People’s Republic of China* (《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 51.45% 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 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 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
“General Meeting Rules”	the Rules of Procedures for the General Meetings of the Company, as amended from time to time

DEFINITIONS

“Group”	the Company and its subsidiaries
“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
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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”	28 May 2026, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Notice of Class Meeting of Holders of H Shares”	notice of Class Meeting of Holders of H Shares, which is set out in pages 13 to 14 of 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 (excluding any treasury shares, if any) 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
“Share(s)”	the A Share(s) and/or the H Share(s)
“Shareholder(s)”	the holder(s) of Share(s)
“SSE”	the Shanghai Stock Exchange

DEFINITIONS

“SSE Sci Tech Listing Rules”	the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange, as amended from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong, as amended from time to time
“treasury shares”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

* *All times stated in this circular refer to Hong Kong time.
In the event of any discrepancy between the English and Chinese versions of this circular, the Chinese version shall prevail.*

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. Shang Jing (*Vice Chairman*)
Mr. Xu Shaolong

Independent non-executive Directors:

Mr. Li Kaiguo
Mr. Zhong Ninghua
Mr. Lam Siu Fung
Ms. Feng Xiaoyun

Employee Director:

Ms. Chen Zhiman

Registered office:

Times Road
Shifeng District
Zhuzhou
Hunan Province
PRC 412001

Principal place of business in Hong Kong:

46th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

2 June 2026

To the Shareholders

Dear Sir/Madam,

- (1) PROFIT DISTRIBUTION PLAN FOR YEAR 2025**
(2) PROPOSED BANK CREDIT LINE APPLICATIONS
(3) GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES
(4) GENERAL MANDATE TO REPURCHASE H SHARES
(5) PROPOSED APPOINTMENT OF DIRECTORS
(6) NOTICE OF ANNUAL GENERAL MEETING
AND
(7) NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF
H SHARES OF 2026

I. INTRODUCTION

Reference is made to the announcement of the Company dated 27 March 2026 in relation to, among other things, the recommendation on payment of the Cash Dividends by 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.

LETTER FROM THE BOARD

II. MATTERS TO BE RESOLVED AT THE AGM

Details of matters to be resolved at the AGM are set out in the AGM Notice, which is set out on pages 8 to 12 of this circular. The resolutions to be proposed at the AGM include (1) the resolution on the Company's 2025 annual report and its summary; (2) the resolution on the 2025 work report of the Board of the Company; (3) the resolution on the 2025 profit distribution plan of the Company; (4) the resolution on authorizing the Board to determine the distribution of interim profits of the Company for 2026; (5) the resolution on the appointment of auditors of the Company for 2026; (6) the resolution on the 2026 bank credit lines applications; (7) the resolution on the confirmation of remuneration of the Directors of the Company for 2025 and the remuneration plan of the Directors of the Company for 2026; (8) the resolution on the remuneration management system for the Directors and senior management of the Company; (9) the resolution on grant of general mandate to the Board for issuance of additional A Shares and H Shares; and (10) the resolution on grant of general mandate to the Board for repurchase of H Shares, all of which to be passed by way of non-cumulative voting, and (11) the resolution on the election of non-independent Directors of the eighth session of the Board of the Company; and (12) the resolution on the election of independent Directors of the eighth session of the Board of the Company, all of which to be passed by way of cumulative voting, of which resolutions (1) to (8) and (11) to (12) are ordinary resolutions and resolutions (9) to (10) are special resolutions.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make an informed decision thereof, we have provided detailed information to the Shareholders in Appendix I to this circular, which includes the information and explanation about the resolutions proposed to be passed at the AGM.

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 Friday, 26 June 2026 at 09:30 a.m. are set out on pages 8 to 12 and pages 13 to 14 of this circular, respectively.

In order to determine the entitlements of Shareholders to attend and vote at the AGM, 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 Friday, 26 June 2026 are entitled to attend and vote at the AGM and the register of members of the Company will be temporarily closed from Tuesday, 23 June 2026 to Friday, 26 June 2026 (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 Shops 1712-1716, 17th 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 Monday, 22 June 2026.

LETTER FROM THE BOARD

Proxy forms for appointing proxy are published together with this circular on the websites of the Company (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.

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.

In accordance with relevant regulations and systems including the Code of Corporate Governance for Listed Companies, the Articles of Association, and the Terms of Reference of the Remuneration Committee under the Board, and taking into account the actual circumstances such as the current economic environment, the region, industry and scale of the Company, as well as with reference to industry remuneration levels, the Company has formulated the remuneration plan for the senior management for 2026. For details, please refer to the Announcement of Zhuzhou CRRC Times Electric Co., Ltd. on the Remuneration Plan of the Directors and Senior Management for 2026 disclosed by the Company on the website of SSE (www.sse.com.cn) on 28 March 2026. The Plan has been considered and approved by the Board and will be submitted to the AGM for consideration, but no Shareholders' approval is required.

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

NOTICE OF ANNUAL GENERAL MEETING



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

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) for year 2025 will be held at Room 301, Times Hotel, Times Road, Shifeng District, Zhuzhou, the People’s Republic of China (the “**PRC**”) on Friday, 26 June 2026 at 9:30 a.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 2026 (the “**Circular**”).

By way of non-cumulative voting:

1. To consider and approve the resolution on the Company’s 2025 annual report and its summary
2. To consider and approve the resolution on the 2025 work report of the board of directors of the Company
3. To consider and approve the resolution on the 2025 profit distribution plan of the Company
4. To consider and approve the resolution on authorizing the Board to determine the distribution of interim profits of the Company for 2026
5. To consider and approve the resolution on the appointment of auditors of the Company for 2026
6. To consider and approve the resolution on the 2026 bank credit lines applications
7. To consider and approve the resolution on the confirmation of remuneration of the directors of the Company for 2025 and the remuneration plan of the directors of the Company for 2026
8. To consider and approve the resolution on the remuneration management system for the directors and senior management of the Company
9. To consider and approve the resolution on grant of general mandate to the Board for issuance of additional A shares and H shares of the Company
10. To consider and approve the resolution on grant of general mandate to the Board for repurchase of H shares

NOTICE OF ANNUAL GENERAL MEETING

By way of cumulative voting:

11. To consider and approve the resolution on the election of non-independent directors for the eighth session of the board of directors of the Company:
 - 11.1 To elect Mr. Li Donglin as an executive director of the eighth session of the board of directors of the Company;
 - 11.2 To elect Mr. Shang Jing as an executive director of the eighth session of the board of directors of the Company; and
 - 11.3 To elect Mr. Xu Shaolong as an executive director of the eighth session of the board of directors of the Company
12. To consider and approve the resolution on the election of independent directors for the eighth session of the board of directors of the Company:
 - 12.1 To elect Mr. Li Kaiguo as an independent non-executive director of the eighth session of the board of directors of the Company;
 - 12.2 To elect Mr. Zhong Ninghua as an independent non-executive director of the eighth session of the board of directors of the Company;
 - 12.3 To elect Mr. Lam Siu Fung as an independent non-executive director of the eighth session of the board of directors of the Company; and
 - 12.4 To elect Ms. Feng Xiaoyun as an independent non-executive director of the eighth session of the board of directors of the Company

Resolutions 1 to 8 and 11 to 12 are ordinary resolutions and resolutions 9 to 10 are special resolutions.

REPORTING MATTER

1. The independent directors of the Company will submit their 2025 work report to the shareholders for consideration but not for approval at the AGM.
2. The remuneration plan of the senior management of the Company for 2026 will be submitted to the AGM for consideration, but no Shareholders' approval is required.

By Order of the Board
Li Donglin
Chairman

Zhuzhou, the PRC, 2 June 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Details of the above resolutions are set out in Appendix I to the Circular.
2. All times stated in this notice refer to Hong Kong time.
3. The board of directors of the Company has recommended a cash dividend of RMB0.68 per share (tax inclusive) (the “**Cash Dividend(s)**”) for the year ended 31 December 2025. If the Cash Dividend is declared by shareholders of the Company (the “**Shareholders**”) upon passing the resolution No. 3, the Cash Dividend is expected to be distributed on or around Friday, 7 August 2026 to the Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 8 July 2026.

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 of the Company (“**A Shares**”) after the AGM, which will set out the record date and ex-dividend date for Cash Dividend distribution to holders of the 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 of the Company (“**H Shares**”).

In order to ascertain the entitlements of the holders of H shares of the Company to receive the proposed Cash Dividends, the transfer of H Shares will be closed from Friday, 3 July 2026 to Wednesday, 8 July 2026 (both days inclusive), during which no transfer of shares of the Company 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 Thursday, 2 July 2026.

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 were 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).

Pursuant to the requirements of Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994] 020)* (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)), individual foreigners are exempt from individual income tax on dividend and bonus from foreign-invested enterprises in the PRC. As the Company is a foreign-invested joint stock limited company, the individual Shareholders who hold the H Shares and appear in the H-share registrar of the Company are not required to pay the individual income tax of the PRC. 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.

NOTICE OF ANNUAL GENERAL MEETING

The Company shall take the registered address (the “**Registered Address**”) as recorded in the register of members of the Company on Wednesday, 8 July 2026 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 Thursday, 2 July 2026 and provide the relevant supporting documents, and the correspondence details are as follows: Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th 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 Wednesday, 8 July 2026.

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.

4. The votes at the AGM will be taken by poll.
5. 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.
6. 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 Tuesday, 23 June 2026 to Friday, 26 June 2026 (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 Shops 1712-1716, 17th 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 Monday, 22 June 2026.
7. 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 Friday, 26 June 2026 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.
8. 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.
9. 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

NOTICE OF ANNUAL GENERAL MEETING

10. 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) 73128498028

11. The principal place of business of the Company in Hong Kong is as follows:

46th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Tel: (852) 2189 7268

12. 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.

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 Shang Jing, our other executive Director is Xu Shaolong, our independent non-executive Directors are Li Kaiguo, Zhong Ninghua, Lam Siu Fung and Feng Xiaoyun, and our employee Director is Chen Zhiman.

NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF H SHARES OF 2026



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 2026

NOTICE IS HEREBY GIVEN that the first class meeting of holders of H shares of 2026 (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 Friday, 26 June 2026 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 2026 (the “**Circular**”).

SPECIAL RESOLUTION

1. To consider and approve the resolution on grant of general mandate to the Board for repurchase of H shares.

By Order of the Board

Li Donglin

Chairman

Zhuzhou, the PRC, 2 June 2026

Notes:

1. Details of the above resolution are set out in Appendix I to the Circular.
2. All times stated in this notice refer to Hong Kong time.
3. The votes at the Class Meeting of Holders of H Shares will be taken by poll.
4. 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.
5. 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 Tuesday, 23 June 2026 to Friday, 26 June 2026 (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 Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 22 June 2026.

NOTICE OF THE FIRST CLASS MEETING OF HOLDERS OF H SHARES OF 2026

6. Holders of the H Shares whose names appear on the register of members of H Shares at the close of business on Friday, 26 June 2026 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.
7. 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 notorially 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.
8. 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
9. The principal place of business of the Company in Hong Kong is as follows:

46th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Tel: (852) 2189 7268
10. 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 Shang Jing, our other executive Director is Xu Shaolong, our independent non-executive Directors are Li Kaiguo, Zhong Ninghua, Lam Siu Fung and Feng Xiaoyun, and our employee Director is Chen Zhiman.

By way of non-cumulative voting:

1. RESOLUTION ON THE COMPANY’S 2025 ANNUAL REPORT AND ITS SUMMARY

In accordance with the regulatory requirements of the CSRC, the SSE and the Stock Exchange, the Company prepared the 2025 annual report and its summary for A Shares and the 2025 annual report for H Shares (collectively, the “**2025 Annual Report and its Summary**”), which were considered and approved at the 23rd meeting of the seventh session of the Board of the Company held on 27 March 2026. For details of the 2025 Annual Report and its Summary, please refer to the reports published on the websites of the SSE, the Stock Exchange and the Company.

The above resolution on the 2025 Annual Report and its Summary of the Company has been considered and approved by the Board and is hereby submitted to the AGM for consideration.

2. RESOLUTION ON THE 2025 WORK REPORT OF THE BOARD OF THE COMPANY

In accordance with the relevant provisions of the Articles of Association, the General Meeting Rules and the Board Meeting Rules, the Board reported the working status of the Board for 2025, details of which are set out in Annex A to this circular.

The above resolution on the 2025 work report of the Board of the Company has been considered and approved by the Board and is hereby submitted to the AGM for consideration.

3. RESOLUTION ON THE 2025 PROFIT DISTRIBUTION PLAN OF THE COMPANY

The Company has issued A shares and was listed on the Science and Technology Innovation Board of the SSE on 7 September 2021. In order to ensure reasonable investment returns for investors, in accordance with the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies and other requirements of the CSRC and relevant provisions of the Articles of Association, the 2025 profit distribution plan of the Company is proposed as follows:

- (1) The profit distribution of the Company for the year 2025 will be carried out by way of cash dividend.

- (2) As audited by KPMG Huazhen, the Company's net profit attributable to shareholders of the parent company for the year 2025 amounted to RMB4,096.5404 million, of which the parent company recorded a net profit of RMB3,222.8612 million, and after appropriation of RMB322.2861 million for statutory surplus reserve, the profit available for distribution of the parent company for 2025 amounted to RMB2,900.5751 million. As of 31 December 2025, the total profit available for distribution of the Company amounted to RMB25,922.6735 million, of which the total profit of the parent company available for distribution to shareholders amounted to RMB24,131.0978 million. Based on the total share capital of the Company of 1,357,948,412 as at 28 February 2026 (including 868,907,512 A Shares and 489,040,900 H Shares), after deducting 283,900 H Shares repurchased and pending cancellation, and using 1,357,664,512 Shares (comprising 868,907,512 A Shares and 488,757,000 H Shares) as the base, the Company proposes to distribute cash dividends of RMB0.68 per Share (tax inclusive) to all shareholders, with proposed cash dividend of RMB923,211,868.16 (tax inclusive). The total amount of cash dividends of the Company to be distributed for the year (including the cash dividends already distributed for the first half of 2025) is RMB1,520,709,169.44 (tax inclusive). The amount of cash dividends to be distributed by the Company for the year accounted for approximately 37.12% of the net profit attributable to Shareholders of the listed Company as contained in the consolidated financial statements for 2025. The Company will not distribute bonus shares or transfer capital reserve into share capital for 2025.

In the event of change in the total share capital of the Company before the equity record date of the implementation of the dividend distribution, it is proposed that the distribution amount per Share will remain unchanged while the total distribution amount shall be adjusted accordingly, and the details of the adjustment will be announced separately.

- (3) For holders of A Shares, the dividend will be denominated, declared and paid in RMB; for holders of H Shares, the dividend will be denominated and declared in RMB and paid in HKD. The actual amount distributed in HKD will be calculated based on the average benchmark exchange rate between RMB and HKD as published by the People's Bank of China for five working days prior to the date for convening the general meeting for considering the profit distribution plan.
- (4) For the profit distribution, the amount of cash dividends to be paid to Qualified Foreign Institutional Investors ("QFII") of A Shares, other institutional investors of A Shares (excluding the aforesaid QFII), legal person shareholders and individual investors of A Shares is RMB0.68/Share (tax inclusive, with appropriate income tax to be withheld and paid by the Company according to the applicable taxation laws and regulations of the PRC upon dividends distribution). The amount of cash dividends to be paid to non-resident enterprise shareholders of H Shares and individual investors of H Shares is RMB0.68/Share (tax inclusive, with appropriate income tax to be withheld and paid by the Company according to the applicable taxation laws and regulations of the PRC upon dividends distribution).

(5) Profit Distribution to Investors of Shanghai-Hong Kong Stock Connect.

- 1) Northbound trading. For investors of the Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company through northbound trading, their dividends will be distributed in RMB by the Company through China Securities Depository and Clearing Corporation Limited Shanghai Branch to the account of the nominees holding such shares, after deducting relevant taxation in accordance with the Notice on the Relevant Taxation Policy regarding the Pilot Programme that Links the Stock Markets in Shanghai and Hong Kong issued by the Ministry of Finance, the State Taxation Administration and the CSRC (Cai Shui [2014] No. 81)* (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)). The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the competent tax authorities of the Company for the withholding. For investors of the northbound trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a cash dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities of the Company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.
- 2) Southbound trading. For investors of the SSE (including enterprises and individuals) investing in the H Shares of the Company through southbound trading, the Company will enter into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading* (《港股通H股股票現金紅利派發協議》) with China Securities Depository and Clearing Corporation Limited Shanghai Branch, pursuant to which, China Securities Depository and Clearing Corporation Limited Shanghai Branch, as the nominee of the investors of southbound trading, will receive the cash dividends distributed by the Company and distribute the cash dividends to relevant investors of southbound trading through its depository and clearing system. Cash dividends for the investors of southbound trading will be paid in RMB, after deducting relevant taxation in accordance with the Notice on the Relevant Taxation Policy regarding the Pilot Programme that Links the Stock Markets in Shanghai and Hong Kong issued by the Ministry of Finance, the State Taxation Administration and the CSRC (Cai Shui [2014] No. 81)* (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)). For dividends received by domestic individual investors from investing in H shares listed on the Stock Exchange through the Shanghai-Hong Kong Stock Connect, the companies of such H shares shall withhold individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in the shares listed on the Stock Exchange through the Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The companies of such H shares will not withhold the income tax of dividends for domestic enterprise investors and such investors shall report and pay relevant tax by themselves.

- (6) Profit Distribution to Investors of Southbound Trading under the Shenzhen-Hong Kong Stock Connect.

For investors of the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company through southbound trading, the Company will enter into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading* (《港股通H股股票現金紅利派發協議》) with China Securities Depository and Clearing Corporation Limited Shenzhen Branch, pursuant to which, China Securities Depository and Clearing Corporation Limited Shenzhen Branch, as the nominee of the investors of southbound trading, will receive the cash dividends distributed by the Company and distribute the cash dividends to relevant investors of southbound trading through its depository and clearing system. Cash dividends for the investors of southbound trading will be paid in RMB, after deducting relevant taxation in accordance with the Notice on the Tax Policies Concerning the Pilot Programme of the Shenzhen-Hong Kong Stock Connect issued by the Ministry of Finance, the State Taxation Administration and the CSRC (Cai Shui [2016] No. 127)* (《財政部、國家稅務總局、證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)). For dividends received by domestic individual investors from investing in H shares listed on the Stock Exchange through the Shenzhen-Hong Kong Stock Connect, the companies of such H shares shall withhold individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in the shares listed on the Stock Exchange through the Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The companies of such H shares will not withhold the income tax of dividends for domestic enterprise investors and such investors shall report and pay relevant tax by themselves.

The above resolution on the 2025 profit distribution plan of the Company has been considered and approved by the Board and is hereby submitted to the AGM for consideration. It is also proposed at the AGM of the Company to authorize the Board, generally and unconditionally, to implement the matters relating to the profit distribution, and the Board to further authorize the management of the Company to be responsible for specific implementation, and to deal with the matters relating to tax withholding and disclosure according to the requirements of relevant laws and regulations and the requirements of regulatory authorities.

4. RESOLUTION ON AUTHORIZING THE BOARD TO DETERMINE THE DISTRIBUTION OF INTERIM PROFITS OF THE COMPANY FOR 2026

In order to further reward investors and enhance the level of investor returns, in accordance with the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies, the SSE Sci Tech Listing Rules, the Self-regulatory Guidelines for Listed Companies on the Science and Technology Innovation Board of the Shanghai Stock Exchange No. 1 – Standardized Operation, the Articles of Association and other relevant requirements, and based on the Company's profitability, cash flow position and capital requirement plan, the Company proposes to make interim profit distribution for 2026 with cash dividend of no more than the net profit attributable to the shareholders of the listed company for the corresponding period in 2026, and proposes to the general meeting to authorize the Board to, subject to the conditions of profit distribution, deal with all relevant matters in relation to the interim profit distribution for 2026, including but not limited to deciding on whether to proceed with the profit distribution, formulating the profit distribution plan and implementing the profit distribution, for a period commencing from the date of consideration and approval at the AGM to the date of the 2026 annual general meeting of the Company.

The resolution on authorizing the Board to determine the distribution of interim profits of the Company for 2026 has been considered and approved by the Board and is hereby submitted to the AGM for consideration.

5. RESOLUTION ON THE APPOINTMENT OF AUDITORS OF THE COMPANY FOR 2026

Pursuant to the requirements of the relevant laws and regulations such as the Measures for Administration of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies* (《國有企業、上市公司選聘會計師事務所管理辦法》) and the Articles of Association, the Company shall appoint an accounting firm to audit the 2026 annual financial report of the Company and the effectiveness of the internal control of the Company.

As resolved at the 2024 annual general meeting of the Company, the Company appointed KPMG Huazhen as the auditors of the Company for the financial statements and the internal control of the Company in 2025. The Company shall pay audit fees of RMB5.60 million for 2025, including a financial report audit fee of RMB5.00 million and an internal control audit fee of RMB0.60 million.

After a comprehensive evaluation of the audit services provided by KPMG Huazhen for 2022-2025, the Company proposes to re-appoint KPMG Huazhen as the auditors of the Company for the financial statements and the internal control of the Company in 2026, and to provide audit services for the annual financial accounts and internal control for a period of one year. Although the Company and KPMG Huazhen have not yet reached an agreement on the audit service fees for 2026, the audit service fees for 2026 are expected to remain at a similar level to the audit service fees for 2025 as mentioned above, which fees are estimated by the Company and KPMG Huazhen after comprehensive consideration of factors such as the content of the audit work, audit scope, specific audit requirements and workload. The audit service fees are also based on the following assumptions: For 2026, there will be no material changes in the Group's operating conditions, accounting policies or regulatory environment.

The above resolution on the appointment of auditors of the Company for 2026 has been considered and approved by the Board, and is hereby submitted to the AGM for consideration of the resolution on the appointment of auditors of the Company for 2026 and grant of authority to the Board to determine the relevant matters including its remuneration.

6. RESOLUTION ON THE 2026 BANK CREDIT LINES APPLICATIONS

In order to meet the rapid development needs of the Company, ensure that there are sufficient funds for the major investment projects, production and operations of the Company, the Company proposes to apply for credit lines of RMB35.6 billion from relevant banks in 2026 with details as follows:

Unit: RMB (in 100 million)

No.	Name of Bank/ Financial Institutions	Limit of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
1	Bank of China Limited	66.2	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
2	China Construction Bank Corporation	80	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
3	China Merchants Bank Co., Ltd.	51	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
4	China CITIC Bank Corporation Limited	14	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
5	Industrial and Commercial Bank of China Limited	57.4	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
6	Bank of Communications Co., Ltd.	7	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
7	Agricultural Bank of China Limited	41.2	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.

APPENDIX I**MATTERS TO BE RESOLVED AT THE AGM**

No.	Name of Bank/ Financial Institutions	Limit of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
8	Industrial Bank Co., Ltd.	0.5	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
9	Shanghai Pudong Development Bank Co., Ltd.	5	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
10	China Everbright Bank Co., Ltd.	0.5	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
11	Bank of Changsha Co., Ltd.	1	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
12	Bank of Hunan Corporation Limited	2	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
13	China Minsheng Banking Corp., Ltd.	2	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
14	Barclays Bank	2.5	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
15	Bank of Ningbo Co., Ltd.	0.5	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
16	The Export-Import Bank of China	1	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.

APPENDIX I**MATTERS TO BE RESOLVED AT THE AGM**

No.	Name of Bank/ Financial Institutions	Limit of Credit (Note 1)	Type of Credit	Term (Note 2)	Principal Use
17	China Bohai Bank Co., Ltd.	1	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
18	Bank of China (Hong Kong) Limited	1.2	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
19	Adjustable quota (Note 3)	22	Composite Credit	1 Year	Working capital loans, issuance of bank acceptance bills, bank guarantee letters, letter of credit, factoring, etc.
	Total	<u>356</u>			

Note 1: Depending on the actual needs of the Company and in compliance with the banks' requirements, the credit lines granted by each financial institution 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 financial institutions.

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

The above credit lines do not represent the actual financing amount of the Company, and the specific financing amount is subject to the actual amount incurred between the banks and the Company, and the actual amount and type of credit shall be reasonably determined based on the actual needs of business development of the Company. At the same time, to improve financing efficiency, it is proposed to the general meeting for consideration and approval of grant of authorization to the chairman of the Board or person(s) authorised by the chairman of the Board to sign bank facility agreements and their ancillary documents provided that the relevant facility falls within the abovementioned bank credit lines.

The above resolution on the 2026 bank credit lines applications has been considered and approved by the Board and is hereby submitted to the AGM for consideration.

7. THE RESOLUTION ON THE CONFIRMATION OF REMUNERATION OF THE DIRECTORS OF THE COMPANY FOR 2025 AND THE REMUNERATION PLAN OF THE DIRECTORS OF THE COMPANY FOR 2026

(i) Remuneration of the Directors of the Company for 2025

The remuneration plan for the Directors of the Company for 2025 is as follows:

Executive Directors Mr. Li Donglin, Mr. Shang Jing, and Mr. Xu Shaolong, and employee Director Ms. Chen Zhiman do not receive director allowances, of which Mr. Xu Shaolong and Ms. Chen Zhiman receive their remuneration based on their specific positions in the Company and performance appraisal results. The remuneration of the independent Directors is paid in accordance with the Director Remuneration/Allowance Plan which has been considered and approved at the general meeting of the Company. The Breakdown of Remuneration and Benefits of the Directors of the Company for 2025 is as follows:

Breakdown of Remuneration and Benefits of the Directors of the Company for 2025

Unit: RMB'0,000

Name	Position	Total remuneration before tax received from the Company during the reporting period	Of which: basic salary and allowances	Of which: performance-based salary and bonus	Pension/ corporate annuity paid by the Company during the year	Other social insurance/ housing provident fund paid by the Company during the year	Allowances for Directors for the year	Total remuneration
Li Donglin	Chairman of the Board and executive Director	0	0	0	0	0	0	0
Shang Jing	Vice chairman of the Board and executive Director	0	0	0	0	0	0	0
Xu Shaolong	Executive Director and general manager	117.06	50.09	66.97	9.45	7.16	0	133.67
Li Kaiguo	Independent non-executive Director	0	0	0	0	0	11.9	11.9
Lam Siu Fung	Independent non-executive Director	0	0	0	0	0	27.03	27.03
Zhong Ninghua	Independent non-executive Director	0	0	0	0	0	11.9	11.9
Feng Xiaoyun	Independent non-executive Director	0	0	0	0	0	11.9	11.9
Chen Zhiman	Employee Director	17.89	1.53	16.36	0.53	0.6	0	19.02

Notes:

1. “Remuneration before tax received from the Company during the reporting period” represents the actual salaries, bonuses, allowances paid by the Company for 2025, of which the amount for Xu Shaolong excludes the payout of term incentives from previous years amounting to RMB892,500;
2. The remuneration of the newly appointed employee Director, Chen Zhiman, during the term of office includes the year-end performance incentive for 2025.

(ii) Remuneration Plan for the Directors of the Company for 2026

In accordance with relevant regulations and systems including the Code of Corporate Governance for Listed Companies, the Articles of Association, and the Terms of Reference of the Remuneration Committee under the Board, and taking into account the actual circumstances such as the current economic environment, the region, industry and scale of the Company, as well as with reference to industry remuneration levels, the Company has formulated the remuneration plan for the Directors for 2026. The details are as follows:

- (1) Applicable Persons: Directors of the Company.
- (2) Applicable Period: 1 January 2026 to 31 December 2026.
- (3) Remuneration Standards:
 - i. Remuneration of the independent Directors of the Company: The annual allowance for independent Directors Li Kaiguo, Zhong Ninghua and Feng Xiaoyun is RMB100,000 (exclusive of tax) per annum; the annual allowance for independent Director Lam Siu Fung is RMB244,000 (exclusive of tax) per annum. The allowances for independent Directors are paid on a monthly basis.
 - ii. Remuneration of the non-independent Directors of the Company: Non-independent Directors holding positions in the Company, namely Executive Director Xu Shaolong and employee Director Chen Zhiman, shall receive remuneration in accordance with the Company's Remuneration Management System for the Directors and Senior Management, based on their employment contracts signed with the Company, specific positions and performance appraisal results, and shall not receive additional director allowances. Non-independent Directors who do not hold other positions in the Company, namely chairman of the Board and executive Director Li Donglin and vice chairman of the Board and executive Director Shang Jing, shall not receive remuneration from the Company.
- (4) Other Provisions:
 - i. The remuneration for the Directors of the Company is paid monthly.
 - ii. If Directors of the Company leave office due to reasons such as change of session, re-election, or resignation during their term, their remuneration shall be calculated and paid based on their actual term of service.
 - iii. In accordance with relevant laws and regulations and the provisions of the Articles of Association, the aforementioned remuneration plan for Directors must be submitted to the general meeting for consideration and approval before it takes effect.

Given that all Directors are related Directors in respect of the above resolution on the confirmation of remuneration of the Directors of the Company for 2025 and the remuneration plan of the Directors of the Company for 2026, they have abstained from voting at the Board meeting, and the resolution is hereby submitted to the AGM for consideration.

8. THE RESOLUTION ON THE REMUNERATION MANAGEMENT SYSTEM FOR THE DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

In order to further improve the remuneration management system for the Directors and senior management of the Company, establish an incentive and restraint mechanism that is compatible with the modern enterprise system and matches responsibilities, rights and interests, fully motivate the Directors and senior management of the Company, and enhance the level of corporate operation and management, this system has been formulated in accordance with the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, and other relevant laws, administrative regulations, and normative documents, as well as the relevant provisions of the Articles of Association, taking into account the actual circumstances of the Company, the details of which are set out in Annex B to this circular.

The above resolution on the remuneration management system for the Directors and senior management of the Company has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

9. RESOLUTION ON GRANT OF GENERAL MANDATE TO THE BOARD FOR ISSUANCE OF ADDITIONAL A SHARES AND H SHARES

In order to ensure flexibility for the Company in issuance of Shares, the Board proposes to the general meeting by way of special resolution to approve the grant of an unconditional general mandate to the Board to, with reference to market conditions and in accordance with the needs of the Company, separately or concurrently issue, allot and otherwise deal with, by share capital or equity-linked instruments (as defined below), new Shares and other securities (including the sale or transfer of treasury shares from treasury (if any)) with a total amount not exceeding 20% of each of the issued domestic shares (A Shares) and/or overseas listed foreign shares (H Shares) of the Company at the time of passing this resolution at the general meeting (excluding any treasury shares). Issuance of A Shares will be subject to the approval procedures and disclosure obligations pursuant to the applicable PRC laws and regulations at the material time.

Details of the mandate include but are not limited to the following matters:

- (1) to formulate and implement the detailed issue proposal which includes, without limitation, the class of new shares to be issued, the pricing mechanism and/or the issue price (including a price range), the number of shares to be issued, the target subscribers and the use of proceeds; to determine the timing of the issue and the period of the issue, and to decide whether to place to existing shareholders or not.

- (2) to consider, approve and execute, on behalf of the Company, agreements relating to the issue, including but not limited to placing and underwriting agreements, engagement agreements with intermediaries.
- (3) to consider, approve and execute, on behalf of the Company, statutory documents relating to the issue which shall be submitted to the relevant regulatory authorities; to fulfill the relevant approval procedures in accordance with the requirements of the regulatory authorities and requirements at the places where the Company is listed.
- (4) to make necessary amendments to the relevant agreements and statutory documents in items (2) and (3) above in accordance with the requirements of domestic and foreign regulatory authorities.
- (5) to affix the seal of the Company on the agreements and statutory documents relating to the issue.
- (6) to engage intermediaries in connection with the issue and to approve and execute all actions, deeds, documents and such other matters that are necessary, appropriate, expedient or relevant to the issue.
- (7) to approve the increase of the registered capital of the Company, make relevant amendments to the Articles of Association relating to the total share capital and shareholding structure, and to carry out the statutory registration and filing procedures within and outside the PRC, after the issue of the new Shares.

Except that the Board may make or grant offers, agreements, or options during the Relevant Period in relation to the issue of A Shares and/or H Shares, which might require further promotion or implementation after the end of the Relevant Period, the period of the above mandate shall not exceed the relevant period. The relevant period means the period from the date of passing the resolution on the mandate by a special resolution at the AGM until whichever is the earliest of:

- (1) the conclusion of the 2026 annual general meeting of the Company;
- (2) the expiration of the 12-month period following the passing of this resolution by a special resolution at the AGM; or
- (3) the date on which the authorises set out in this resolution are revoked or varied by a special resolution at any general meeting of the Company.

For the purpose of the above resolution, “**equity-linked instruments**” include bonds that may be converted or exchanged into A Shares and/or H Shares, options or other derivatives.

The above resolution on grant of general mandate to the Board for issuance of additional A Shares and H Shares has been considered and approved by the Board and is hereby submitted to the AGM for consideration.

10. RESOLUTION ON GRANT OF GENERAL MANDATE TO THE BOARD FOR REPURCHASE OF H SHARES

In order to strengthen the Company's capital market value management and in response to the Shareholders' request, the Board proposes to the AGM and the Class Meetings to consider and approve the grant of a general mandate to the Board to repurchase H Shares, and authorize the Board to repurchase H Shares not exceeding 10% of the total number of the H Shares in issue (excluding treasury shares, if any) on the date which this resolution is passed in accordance with the applicable laws and regulations, the Articles of Association, the requirements of the securities regulators of the places where the Shares are listed 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.

The authorities proposed to be granted to the Board at the AGM and the Class Meetings include but are not limited to the following matters:

- (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, the 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);
- (5) to carry out the cancellation procedures for repurchased Shares, reduce registered capital of the Company, 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/or hold such Shares in treasury based on market conditions and the Company's capital management needs during the relevant period in which such share repurchases were made;
- (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 respective notices of AGM and the Class Meetings is passed, the Board will be granted the Repurchase Mandate until the earlier of:

- (1) the conclusion of the 2026 annual general meeting of the Company; or
- (2) the date on which the authorities set out in the relevant special resolution are revoked or varied by special resolutions by the Shareholders at any general meeting of the Company, the Class Meeting of Holders of A Shares and the Class Meeting of Holders of H Shares, respectively.

The Company intends to apply and shall 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 Annex C to this circular for the explanatory statement which sets out certain information on the Repurchase Mandate. The Directors confirmed that neither the explanatory statement nor the Repurchase Mandate has any unusual features.

The above resolution on Repurchase Mandate has been considered and approved by the Board and is hereby submitted to the AGM for consideration.

The above resolution on Repurchase Mandate shall also be proposed to the Class Meeting of Holders of A Shares and the Class Meeting of Holders of H Shares, respectively, for consideration.

By way of cumulative voting:

11. THE RESOLUTION ON THE ELECTION OF NON-INDEPENDENT DIRECTORS OF THE EIGHTH SESSION OF THE BOARD OF THE COMPANY

Reference is made to the announcement of the Company dated 25 May 2026 in relation to, among other things, the proposed appointment of executive Directors of the eighth session of the Board.

The term of office of the seventh session of the Board of the Company will expire, and it is required to elect Directors for the change of session of the Board according to relevant laws and regulations, normative documents and the Articles of Association.

Upon nomination by the Nomination Committee of the Board, Mr. Li Donglin, Mr. Shang Jing and Mr. Xu Shaolong have been nominated as candidates for executive Directors of the eighth session of the Board of the Company. The term of office of the above Director candidates shall be three years after they have been elected as Directors of the Company at the AGM.

As considered by the Remuneration Committee of the Board, Mr. Li Donglin, Mr. Shang Jing and Mr. Xu Shaolong shall not receive remuneration for their roles as Directors, in accordance with relevant policies and management requirements.

Biographical details of the above candidates for executive Directors of the eighth session of the Board and other information relating to their appointments are set out in Annex D to this circular.

The above resolution on the election of non-independent Directors of the eighth session of the Board of the Company has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

12. THE RESOLUTION ON THE ELECTION OF INDEPENDENT DIRECTORS OF THE EIGHTH SESSION OF THE BOARD OF THE COMPANY

Reference is made to the announcement of the Company dated 25 May 2026 in relation to, among other things, the proposed appointment of independent non-executive Directors of the eighth session of the Board.

The term of office of the seventh session of the Board of the Company will expire, and it is required to elect Directors for the change of session of the Board according to relevant laws and regulations, normative documents and the Articles of Association.

Upon nomination by the Nomination Committee of the Board, Mr. Li Kaiguo, Mr. Zhong Ninghua, Mr. Lam Siu Fung and Ms. Feng Xiaoyun have been nominated as candidates for independent non-executive Directors of the eighth session of the Board of the Company. The term of office of the above Director candidates shall be three years after they have been elected as Directors of the Company at the AGM.

As considered by the Remuneration Committee of the Board, the annual Director's remuneration/allowance for Mr. Li Kaiguo, Mr. Zhong Ninghua and Ms. Feng Xiaoyun as candidates for independent non-executive Directors is approximately RMB100,000 (exclusive of tax); the annual Director's remuneration/allowance for Mr. Lam Siu Fung as a candidate for independent non-executive Director is approximately RMB244,000 (exclusive of tax); The Director's remuneration/allowances of the aforementioned persons are determined with reference to their experience, duties within the Group, the performance of the Company, industry remuneration standards and market conditions, and are subject to amendment by the Shareholders at a general meeting.

Biographical details of the above candidates for independent non-executive Directors of the eighth session of the Board and other information relating to their appointments are set out in Annex D to this circular.

The above resolution on the election of independent Directors of the eighth session of the Board of the Company has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

**ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.
2025 WORK REPORT OF THE BOARD OF DIRECTORS**

Dear Shareholders and Shareholder Representatives:

In 2025, the board of directors of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”), guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the work requirements of the CRRC Group and CRRC ZELRI, comprehensively promoted the high-quality development of the Company with the objective of advancing the development of Times Electric’s “Four Higher Standards”, strictly adhered to laws and regulations such as the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China and the Rules for Corporate Governance of Listed Companies, as well as the rules of the SSE and the Stock Exchange, and diligently fulfilled its responsibilities as mandated by national laws and regulations, the group company and the Articles of Association, thereby ensuring the sustainable and healthy corporate development and achieving new milestones in all aspects of operation. **The Company received the highest rating of Grade A in the SSE’s 2024-2025 Assessment on the Disclosure of Information of Listed Companies, the Best Practice Case Award of the Board of Directors of Listed Companies by the China Association for Public Companies for the year of 2025, the “Top 50 ESG Stated-owned Enterprises” and other awards, demonstrating significant achievements in brand building.**

The work of the board of directors for 2025 is reported as follows:

I. PRINCIPAL OPERATIONS AND REFORM AND DEVELOPMENT IN 2025

In 2025, faced with a complex and challenging external environment and demanding operational tasks, the Company, under the leadership of the board of directors and guided by long-term strategic planning, led all employees to pursue steady progress, enhance profitability, jointly promote value realization, safeguard shareholders’ interests, and drive effective quality improvements and reasonable quantitative growth in its operations. The overall operations of the Company have been improving steadily, with all six major industrial segments gaining full momentum and the industrial landscape becoming increasingly well-established. As a result, the revenue exceeded RMB28.7 billion, representing a year-on-year increase of over 15%; net profit attributable to the parent company reached RMB4.097 billion despite an increasingly competitive market; and total assets amounted to RMB72.084 billion.

(I) Activating the engine of reform to accumulate the momentum for development

In terms of reform, centring on the fundamental requirements of enhancing core functions and improving core competitiveness, the Company continued to advance the “Market-oriented Reform Program for Technology Enterprises” in a thorough and pragmatic manner, maintaining the highest “Benchmark” rating among CRRC Group’s “Science Reform Enterprises”. The Company has consistently empowered business development through reform. Times Electric Semiconductor completed the joint-stock system reform. Positive progress was achieved in the pilot project for transferring patent rights of passenger vehicle electric drive system inventions, and CRRC Electric Drive was selected as a “Qihang Enterprise” by SASAC of the State Council.

In terms of investment, the Company provided strong support for the accelerated development of strategic emerging industries, establishing a solid foundation for the “15th Five-Year” Plan. Semiconductor production capacity continued to rise, with the Zhuzhou Phase III project completing plant construction and the first stage of equipment move-in, achieving tape-out and commencement of production, and jointly reaching a monthly production capacity of 60,000 wafers with the Yixing facility. The construction of the CRRC Electric Drive Indonesia base has been completed, marking the first step of its overseas expansion. The blueprint for the industry’s “15th Five-Year” Plan has begun to take initial shape.

(II) Adhering to the lead of technological innovation to significantly enhance technical strength

The Company persisted in promoting the deep integration of technological innovation and industrial innovation to comprehensively consolidate its leading technological advantages, maintaining the continuous technological leadership of its six major industrial segments.

Breakthroughs in rail transit business. The Company continued to deliver EMUs and locomotives, maintaining a solid market position. It helped the CR450 EMU prototype achieve a cumulative fault-free operation of over 360,000 kilometers, setting a new record of a single-train speed of 453 km/h and a relative meeting speed of 896 km/h. The Company conquered the complete set of technologies for the flexible through-phase power supply system, completed China’s first demonstration project of the “Grid-Source-Storage-Vehicle” coordinated energy supply system for heavy-haul railways, and realised the first commercial application of permanent magnet traction technology in China’s high-power new energy locomotive field, providing a brand-new solution for the green and low-carbon transformation of heavy-haul transportation scenarios. According to statistics from RT Rail Transit Network, the Company’s domestic market share of urban rail traction systems was 60.92% in 2025, leading the industry for 14 consecutive years. **Maintenance revenue** maintained steady growth; in overseas business, the Company won multiple projects in Asia and the Americas. In terms of **rail engineering machinery**, the first batch of rail engineering vehicles meeting European standards was officially delivered. The **communication and signaling** business made steady progress: Ningbo Line 8 was put into operation in June, marking the landing of the first independent FAO application demonstration project; Hefei Line 6 was put into trial operation in December, further verifying the Company’s professional capabilities as a systematic solution provider for the seamless split transformation and integration of fully independent FAO. In addition, **the power supply system** won Chongqing Line 27, China’s first general contracting project for power supply system engineering, and the platform door business ranked among the top 3 domestically in the industry.

Seizing development opportunities in emerging equipment industry to rapidly strengthen and improve our business. In the semiconductor segment, the Company maintained a leading market share in IGBT module deliveries in the rail transit and power grid sectors, ranking first domestically. Its applications in the new energy market continued to expand. According to statistics from NE Times, the Company's installed capacity of power modules for new energy passenger vehicles reached 2.256 million sets in 2025, with a market share of approximately 13.7%, ranking second only to BYD. The shipment volume of IGBT modules in the new energy power generation market grew rapidly. In addition to domestic business, overseas revenue increased significantly. The Yixing IGBT production line successfully reached full production capacity, and the Zhuzhou SiC production line was put into operation smoothly. The Company made breakthroughs in the fourth-generation trench-gate SiC MOSFET chip technology. The sensor business in new energy sector stabilised and trended upwards, with a substantial increase in delivery volume. In the automotive segment, sales of electric drive systems for new energy passenger vehicles continued to rise throughout the year. According to NE Times statistics, the Company's installed volume of stators for new energy vehicle electric drive systems reached 571,500 units in 2025, ranking 9th. The installed volume of electronic control units reached 689,100 units, ranking 6th. The Company secured designated projects for 40 new models. Its first overseas project, the Indonesia base, was completed and put into operation. The Company also completed the development of its 5th-generation high-voltage SiC all-in-one electric drive product platform for battery electric vehicles. In the new energy segment, the Company launched its new-generation 2000V/400kW+ string PV inverter "Chixiao" and a new-generation energy storage converter "Yunshu" with a single unit capacity of 3.45MW. Its PV inverter business won approximately 18GW of domestic bids, ranking among the industry leaders. New orders for wind power converters and energy storage converters grew substantially. The Company maintained a leading domestic market share in IGBT-based hydrogen generation power supplies. In the marine segment, marine equipment business leveraged synergies across three regional markets, leading to record highs both in revenue and orders. The world's first underwater heavy-duty electric ROV was commercially delivered, and the largest domestically manufactured shaft-driven frequency converter in the world was installed and applied on vessels. In the industrial segment, the Company won bulk orders for mining truck electric drive system, consolidating our market position; ensured continuous delivery of central air conditioner converters and medium-voltage rolling mill drive systems, steadily enhancing our position in the industry.

II. DEVELOPMENT OF THE BOARD OF DIRECTORS IN 2025

(I) Establishing a long-term and institutionalised corporate governance mechanism to strengthen the governance foundation

The Company adhered to the “two consistent” rules and continued to improve its institutionalised and long-term modern corporate governance mechanism in strict compliance with the requirements of the modern enterprise system with Chinese characteristics. Firstly, the Company integrated the leadership of the Party with the improvement of corporate governance, and established a “Three Committees and One Executive Layer” governance structure comprising the Party Committee, the shareholders’ general meeting, the board of directors, and senior management. In accordance with the new Company Law and the amendments to the Guidelines for Listed Companies, the Company timely abolished the Supervisory Committee and improved the Articles of Association and the alignment of relevant systems. In accordance with the listing rules in Shanghai and Hong Kong and the Articles of Association, and based on the Company’s actual conditions, the Company updated the Administrative Measures for Decisions Involving “Three Major and One Significant” Matters, compiled a list of 209 decision-making items with defined responsible bodies, and formed a “Five Committees List” with both guiding principles and implementation rules. Secondly, it clearly defined the boundaries of rights and responsibilities for governance entities, formulated and refined 29 management systems and processes related to the “Four Committees and One Executive Layer”, including the Rules of Procedures for the General Meetings, the Board Authorisation Management Measures, the Terms of Reference of the Independent Non-executive Directors and the Rules of Work of the General Manager, forming a corporate governance framework characterised by clear divisions of responsibility, effective checks and balances, scientific decision-making, and efficient and standardised operations among the authority, decision-making, supervisory and management bodies.

(II) Improving development of the board of directors to enhance modern corporate governance standards

In 2025, the Company continued to optimise its corporate governance framework by facilitating the building of a professional, accountable, standardised and efficient board of directors. Firstly, the board composition of the Company was optimised to ensure that external directors constitute a majority, and independent directors make up no less than half of the board of directors. The Company also actively broadened its recruitment channels for employee directors and successfully completed the appointment of one additional female employee Director on 9 December, achieving a smooth transition of board members and promoting gender diversity. It also ensured that the board composition complied with the requirements of the SSE, the Stock Exchange and the Articles of Association, thereby advancing board development.

The board of directors of the Company has set up six special committees, namely the strategy and ESG committee, the audit committee, the risk control committee, the nomination committee, the remuneration committee and the science and technology innovation committee, with the audit committee, the nomination committee and the remuneration committee being chaired by an independent non-executive director, all members of the audit committee and the remuneration committee being independent non-executive directors, and a majority of the members of the nomination committee being independent non-executive directors, thereby ensuring that the independent non-executive directors can fully express their opinions and efficiently participate in corporate governance. Each special committee plays a significant role in its respective field to enhance the effectiveness of the board committees, increase discussions on science and technology innovation and ESG matters, and improve regulatory compliance and governance efficiency. The committees serve as the board's think tank and advisors, ensuring the standardised, scientific and effective operation of the board.

(III) Strengthening the performance capabilities of the board to ensure high-quality and efficient exercise of power

The board of directors of the Company attached importance to organizing members to conduct political theory and business studies, and actively participate in various trainings to continuously improve their ability to perform their duties.

Firstly, the board of directors conveyed and studied the spirit of relevant directives and instructions of the central government related to the Company, and conscientiously implemented the decisions, plans and work requirements of the higher authorities. On 28 March 2025, chairman Li Donglin conveyed the spirit of the “Two Sessions” to board members. On 29 April 2025, board members, led by the chairman, studied the Eight-point Regulation from the Centre and the important speeches of Xi Jinping. On 22 August 2025, board members, led by the chairman, studied the “First Topic” of the Party Committee. All members of the board of directors conducted an in-depth study of Xi Jinping's important speech at the Central Urban Work Conference, as well as the Excerpts from Xi Jinping's Discourses on Improving Party Conduct. On 30 October 2025, board members, led by the chairman, conducted special studies on the fourth plenary session of the 20th Central Committee of the Chinese Communist Party.

Secondly, it organised training for directors, supervisors and senior management. In March, a training session on “Latest Developments in Compliance Supervision of Listed Companies” was conducted, where Grandall Law Firm (Hangzhou) provided training to all directors, supervisors, and certain senior management members on matters including the tone of securities supervision, typical cases and non-compliance matters, and new regulations on the suspension and exemption of information disclosure. In June, directors of the Company were arranged to study the STAR Market Regulatory Express (Special Issue on Mergers, Acquisitions and Restructuring) and the accounting supervision dynamics of the SSE. In August and September, materials from the STAR Market Regulatory Express were compiled to organise self-study for all directors. Four independent directors were organised to participate in the follow-up training for independent directors of the SSE, and the board secretary participated in the follow-up training for board secretaries of the SSE.

Through training in multiple dimensions, we enhanced the directors' ability to perform duties and ensured that all works of the board of directors were conducted in accordance with the laws and regulations.

(IV) Adhering to standardised corporate governance to maintain compliant operations

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.

(V) Complying with the Corporate Governance Code and benchmarking against industry best practices

The Company has established a corporate governance system in accordance with the relevant requirements of the Corporate Governance Code (the “CG Code”) in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, which was applicable in 2025. The Articles of Association, the terms of reference of the strategy and ESG committee, the audit committee, the risk control committee, the remuneration committee, the nomination committee and the science and technology innovation 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 2025, 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, save for code provision F.2.2 (which has been renumbered as code provision F.1.3 with effect from 1 July 2025) of the CG Code.

III. COMPLIANT OPERATION OF THE BOARD AND EFFICIENT EXECUTION OF THE BOARD'S FUNCTIONS**(I) Board meetings**

In 2025, all directors of the Company performed their duties diligently, listened to the work reports of the management on a regular basis, and made prudent decisions on the board's resolutions. During the year, the Company held a total of 7 board meetings and considered and passed a total of 74 resolutions, including 4 periodic reports, 6 connected transactions, 3 appointment of management and related matters, and 9 amendment and revision of systems and rules. 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 2025, 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, 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, actively attended general meetings and results briefings of the Company, and promoted positive interaction with the capital market, 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	Number of attendance in person	Number of attendance by proxy	Number of absence	Failure to attend in person for two consecutive times	Number of attendance at the general meetings
Li Donglin	No	7	7	0	0	No	4
Shang Jing	No	7	7	0	0	No	1
Xu Shaolong	No	7	7	0	0	No	4
Li Kaiguo	Yes	7	6	1	0	No	4
Zhong Ninghua	Yes	7	7	0	0	No	4
Lam Siu Fung	Yes	7	7	0	0	No	4
Feng Xiaoyun	Yes	7	7	0	0	No	4
Chen Zhiman	No	1	1	0	0	No	1

Note: On 9 December 2025, Ms. Chen Zhiman was elected as an employee Director through democratic election by the employees.

(III) Performance of duties of board committees

The board of directors has set up six special committees, namely the strategy and ESG committee, the audit committee, the risk control committee, the remuneration committee, the nomination committee and the science and technology innovation committee. During the reporting period, the Company held three meetings of the strategy and ESG committee, five meetings of the audit committee, three meetings of the risk control committee, two meetings of the remuneration committee, two meetings of the nomination committee and two meetings of the science and technology innovation 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 2025, 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 2025, the Company held the 2024 AGM, the 2025 first class meeting of holders of A Shares, the 2025 first class meeting of holders of H shares and the 2025 first extraordinary general meeting, at which 17 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, considered and approved all major matters of the Company such as annual profit distribution, related-party transactions and amendments to the Articles of Association, strictly followed up and implemented the implementation of the resolutions of the general meetings, 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.

IV. STRENGTHENING STRATEGIC MANAGEMENT, REGULATING SCIENTIFIC DECISION-MAKING, AND IMPROVING RISK PREVENTION AND CONTROL TO EFFECTIVELY ENHANCE THE GOVERNANCE EFFICIENCY OF THE BOARD OF DIRECTORS**(I) Setting strategy, making decisions, preventing risks, and achieving significant results in effective operations****1. *Forging ahead to accelerate and improve strategic planning***

The board has established the strategy and ESG committee of the Board to strengthen the research and formulation of the Company's medium- and long-term development strategies and plans, regularly evaluate and adjust them as needed to guide the Company's development and layout. The committee is responsible for studying and providing recommendations on the Company's long-term development strategies and major investment decisions. The strategy and sustainable development committee is chaired by the chairman of the Company, with the general manager of CRRC ZELRI, the general manager of Times Electric, independent directors, and management experts from the same industry as members. Expert opinions are fully considered to provide constructive and guiding suggestions for the comprehensive implementation of the Company's overall strategic plan.

In 2025, the board considered and approved operational strategy-related resolutions, such as the Resolution on Annual Investment Budget and the Resolution on Execution of Investment Budget in the First Half, to study and discuss the Company's operational pace; considered and approved the Resolution on the Joint-stock Reform of The Holding Subsidiary Zhuzhou CRRC Times Semiconductor Co., Ltd., to accelerate the improvement of corporate governance quality and industrial development; and considered and approved resolutions such as the Resolution on the Shareholder Dividend Return Plan of the Company for the Next Three Years (2025-2027) to effectively enhance shareholder returns and the Company's sustainable development capacity, and align with the Company's development plans.

2. Professional and efficient decision-making through effective communication

Times Electric continued to maintain a healthy and stable development trend, committed to consolidating the rail transit industry and focusing on the expansion of strategic emerging industries. The Company has formulated and refined the “Three Major and One Significant” decision-making system to effectively improve decision-making efficiency and quality while ensuring that decision-making processes are secure and controllable. The board has strengthened the execution of its decisions by reviewing the implementation status of board resolutions every six months, ensuring a closed-loop process for decision execution.

In 2025, the board convened 17 meetings of its special committees, placing strong emphasis on preliminary research and due diligence. For key matters, pre-meeting consultations were organised to gain opinions from industry experts in respect of major investment and financial issues. A regular communication mechanism with the external audit firm was established, enabling targeted discussions on matters such as financial budgeting and final accounts, related-party transactions, financial risks, internal audits, risk and compliance, performance accountability letters for senior management, as well as research plans. In particular, for the related-party transactions framework agreement, the board thoroughly evaluated benefits of the decision-making matters. In discussion regarding the semiconductor joint-stock reform project, the board carefully weighed risks and opportunities and invited directors with industry expertise to contribute insights and suggestions.

3. Proactive planning and risk prevention through compliance and control

The Company has established a comprehensive risk prevention and control system. The board has set up the risk control committee responsible for formulating, reviewing and revising the Company’s risk strategy, evaluating the risk strategy and risk management policies on a regular basis, and reviewing and assessing the Company’s risk management and control systems. The risk control committee under the board performs its duties independently and objectively in strict accordance with the Terms of Reference of the Risk Control Committee under the Board and other relevant policies, forming an effective mechanism for risk assessment, early warning, and mitigation.

In 2025, the board reviewed the 2024 internal control evaluation report and internal control audit report, the 2024 performance report of the risk control committee, the risk assessment reports for 2024 and the first half of 2025, the 2024 compliance management work report and other relevant resolutions. It also conducted timely discussions on risk assessments, mitigation strategies, and the work plan for the coming year, carried out comprehensive evaluation for certain completed major investment projects and those from the previous year that involved significant issues or risks, continuously optimised its compliance operation mechanism, and ensured full coverage of compliance controls through standardised processes, thereby effectively managing compliance risks.

In terms of compliance system development, the Company continued to refine the strategic deployment of key positions, achieved comprehensive coverage of its grid-based workforce, completed the compilation of compliance manuals for ten key areas, and continued to strengthen the compliance system.

(II) Exercising the five powers of the board**1. *Exercising decision-making power over medium- and long-term development***

In alignment with the strategic directives of CRRC and CRRC ZELRI, the Company has actively implemented medium- and long-term development plans and achieved corresponding strategic targets. Regarding major investments, the board reviewed the Resolution on the Company's Investment Budget in 2025 and other related matters.

2. *Exercising the power of performance evaluation and compensation management of management members*

In accordance with the Articles of Association and the Terms of Reference of the Remuneration Committee under the Board, and based on the Company's operating results, the board reviewed the proposal of compensation for management members. The remuneration committee under the board and the board considered and approved the Resolution on Annual Remunerations of the Senior Management of the Company in 2024, the Resolution on Performance Evaluation and Compensation Settlement Plan for the Senior Management of the Company in 2024 and other relevant matters.

3. *Exercising the power of employee compensation allocation and management*

In accordance with the Articles of Association and the Terms of Reference of the Remuneration Committee under the Board, the board considered and approved the Work Report of the Remuneration Committee of the Board in 2024 and the Resolution on Budget for Total Remunerations of the Company for 2025. The work report of the remuneration committee outlined the Company's compensation management approach for 2025, which includes: (1) optimising the mechanism for incremental total wage allocation at the business unit level and revising the total wage management measures; (2) revising the manager compensation management measures based on the "two systems and one contract" management model and requirements of the higher authority on manager compensation management; (3) continuously advancing the employee position performance-based remuneration system, clarifying the linkage between compensation and position value as well as compensation and performance, with the principle of "position grade determines salary level, performance determines bonus"; (4) continuously conducting salary analysis and human resource efficiency analysis to assess the external and internal fairness, incentive effect, and economic efficiency of current salary distribution, providing a basis for formulating salary strategies that support industrial development; and (5) continuously advancing shared and digitalised salary calculation and distribution processes to enhance human resource management efficiency. In the 2025 total wage budget plan, the 2025 total wage budget was formulated based on anticipated completion of business targets in 2025 and the incremental performance distribution principle, with separate presentation of budget for domestic total wage and total wage of overseas subsidiaries in 2025.

4. *Exercising the power of management of major financial matters*

The board has lawfully exercised its power of management of major financial matters, including oversight of the Company's debt ratio and external donations. The authority for external donations is clearly defined in the Articles of Association and the Rules of Procedures for the Board of Directors. In 2025, the board considered and approved the Resolution on the Company's External Guarantee Plan in 2025, the Resolution on Cash Management Against Idle Self-owned Funds, the Resolution on Projected Trading Limit for Foreign Exchange Derivatives in 2025, the Resolution on Cash Management Against Idle Proceeds and other matters, thereby effectively exercising the power of management of major financial matters.

(III) Taking multiple measures to improve corporate governance standards

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 2025, the Company amended and formulated 29 policies including the Articles of Association.

2. *Focusing on regulatory requirements to improve the quality of information disclosure*

The Company strictly complied with the legal and regulatory requirements of the CSRC, the SSE and the Stock Exchange and the relevant provisions of the Administrative Measures on Information Disclosure of the Company, focused on the regulatory requirements, fulfilled the obligation of information disclosure in accordance with relevant laws and regulations, 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 186 announcements and documents on the SSE as well as 197 announcements in traditional Chinese and 121 announcements in English on the Stock Exchange. We continuously improved the quality of information disclosure. 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. *Deepening investor relationship management to boost investors' confidence*

The board of directors is committed to protecting the interests of all shareholders and building an investor management platform which covers all aspects. Firstly, it held annual, first quarter, interim and third quarter results presentation telephone conferences, which connected over 100 analysts and investors to communicate on the Company's operation. Secondly, it held annual, interim and third quarter results presentation, participated in the 2025 interim collective results briefing for listed companies on the STAR Market in Hunan Province and the online group reception day for investors of listed companies in Hunan to answer in detail the issues concerned by the capital market and investors. Thirdly, it held a large-scale themed reverse roadshow of "Times Electric: Advancing into New Depths", welcoming around 100 investors and analysts for on-site visits to the Company. Fourthly, it participated in the 2025 annual meeting for flagship "Hard Tech, Hard Core" segment of the HuShiHui program co-hosted by the SSE and CNR.cn, and conducted in-depth exchanges on key issues concerning the rail transit industry chain. Fifthly, it assigned dedicated staff to answer investor phone calls and receive investor emails, ensuring patient and thorough documentation and responses to questions raised by investors. Through a variety of communication channels and formats, the Company has maintained robust communication with investors, continuously enhancing its corporate image and strengthening its social influence.

4. *Establishing a favourable market image of the Company by enhancing quality, increasing efficiency and achieving returns*

To uphold the development concept of "investors first" as a listed company and safeguard the interests of all shareholders of the Company, based on the confidence in the future prospects and value of the Company, the Company formulated the 2025 action plan for "enhancing quality, increasing efficiency and achieving returns" (hereinafter referred to as the "**Action Plan**") on 28 March 2025 to provide clear strategic direction for the Company's action for enhancing quality, increasing efficiency and achieving returns in 2025. The controlling shareholders, directors, and senior management of the Company will take measures to effectively "enhance quality, increase efficiency, and achieve returns" and establish a favourable market image for the Company. In addition, the Company formulated a shareholder dividend return plan for the next three years in April 2025 (hereinafter referred to as the "**Three-Year Return Plan**") to promote the establishment of scientific and sustainable dividend decision-making and supervision mechanisms. In accordance with the Action Plan and Three-Year Return Plan, the Company has actively carried out and implemented various initiatives in 2025. Taking into account the needs of investors for returns and the long-term development of the Company, the Company distributed a cash dividend of RMB10 per 10 shares (inclusive of tax) to all shareholders for 2024, the total amount of cash dividend paid out exceeded RMB1.358 billion, accounting for 36.68% of the net profit attributable to shareholders of the Company in the consolidated statement of 2024. The cash dividend per share represented a year-on-year increase of 28.21% over the last year. In 2025, the Company initiated multiple dividend distributions within a year for the first time, declaring an interim cash dividend of RMB597 million, representing 35.75% of the net profit attributable to shareholders of the listed company in the consolidated statement for the period, which enhanced investors' sense of gain and recognition, and demonstrated the Company's value creation capability through practical actions.

Times Electric has always adhered to the concept of better safeguarding shareholders' rights and interests and creating greater value for shareholders. The Company has actively promoted the repurchase of its H shares. From December 2024 to June 2025, the Company once again took the lead in organising a large-scale repurchase and cancellation of 53.6917 million H shares, with an aggregate repurchase amount exceeding HK\$1.6 billion, which has significantly improved earnings per share and further optimised the Company's capital structure, while clearly conveying to the market the management's strong recognition of the Company's intrinsic value, operational resilience and future growth prospects.

V. TAKING MULTIPLE MEASURES TO STRENGTHEN SUPPORT FOR EXTERNAL DIRECTORS IN FULFILLING THEIR DUTIES

The board of the Company places strong emphasis on enhancing its own governance capabilities. To further support external directors in effectively performing their roles, the board revised the Terms of Reference of the Independent Non-executive Directors of the Company in 2025 to regulate and guarantee the support for performance of duties by external directors in terms of working conditions, staffing and information support.

(I) Professionally and efficient support team

The board attaches great importance to the views of external directors and has established a smooth and vertically integrated internal information reporting system. The board office is responsible for handling daily board affairs and providing support services, forming an efficient and responsive work mechanism. The board secretary performs duties in accordance with laws and regulations and actively supports external directors in performing their duties. Other departments, within their respective functions, also assist the board office in providing support to external directors for duty performance.

(II) Support for research by external directors

External directors continuously monitor the Company's operational status and development opportunities, and access industry and business information of the Company through multiple channels, thereby contributing to scientific and professional decision-making. In 2025, the external directors have maintained regular on-site visits to industrial bases such as the Company's Medium and Low Voltage Power Devices (Zhuzhou) Project and CRRC Electric Drive, participated in results briefings in person, and offered valuable insights based on their expertise and management experience to support the Company's business development. The directors have aligned closely with the Company's development strategies and the decision-making needs of the board, focused on AI deployment, overseas opportunities, and industry development, and provided specific recommendations to the management team, thereby effectively driving the Company's execution of its high-quality development.

VI. WORK PLAN FOR 2026

In 2026, the board of the Company will continue to thoroughly study and implement General Secretary Xi Jinping’s important directives on building a modern enterprise system with Chinese characteristics. Centred on its core responsibilities of “setting strategy, making decisions, and preventing risks”, the board will stay focused on achieving the goals of the “15th Five-Year” Plan, pursue high-quality and efficient operations, steadily expand the business scale, and strive for breakthroughs in profitability. With unified thinking and decisive action, the board will fully implement the integrated “Core Strengthening Project” across five key dimensions, using high-quality development to chart the course for the “15th Five-Year” Plan. The board is committed to delivering even stronger performance and creating greater returns and value for society, shareholders and employees.

This resolution has been considered and approved by the board and is hereby submitted to the general meeting for consideration.

* The 2025 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.
2025 WORK REPORT OF INDEPENDENT DIRECTORS**

Dear Shareholders and Shareholder Representatives:

In accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Management Measures of Independent Directors of Listed Companies, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange and other relevant laws, regulations and regulatory provisions as well as the requirements of the Articles of Association of Zhuzhou CRRC Times Electric Co., Ltd. and the Terms of Reference of the Independent Non-executive Directors of Zhuzhou CRRC Times Electric Co., Ltd., the Company’s independent directors, being Li Kaiguo, Zhong Ninghua, Lam Siu Fung, and Feng Xiaoyun, have each prepared a work report, which has been reviewed and approved by the Board of the Company and is hereby presented to the general meeting. For details, please refer to the 2025 Work Report of Independent Directors disclosed by the Company on the website of the SSE on 28 March 2026.

The above is the work report of the independent Directors for the review of Shareholders.

ANNEX B THE REMUNERATION MANAGEMENT SYSTEM FOR THE DIRECTORS AND SENIOR MANAGEMENT

ZHUZHOU CRRC TIMES ELECTRIC CO., LTD. THE REMUNERATION MANAGEMENT SYSTEM FOR THE DIRECTORS AND SENIOR MANAGEMENT

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further improve the remuneration management system for the directors and senior management of the Company, establish an incentive and restraint mechanism that is compatible with the modern enterprise system and aligns with responsibilities, rights and interests, fully motivate the directors and senior management of the Company, and enhance the level of corporate operation and management, this System is hereby formulated in accordance with the relevant provisions of the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies and other relevant laws, administrative regulations and normative documents, as well as the Articles of Association of Zhuzhou CRRC Times Electric Co., Ltd. (hereinafter referred to as the "Articles of Association"), taking into account the actual circumstances of the Company.

Article 2 This System shall apply to the following personnel:

- (1) Directors, including non-independent directors and independent directors;
- (2) Senior management, including the general manager, deputy general managers, chief financial officer, secretary to the board, and other senior management as prescribed in the Articles of Association.

Article 3 The remuneration of the directors and senior management of the Company shall be determined on the basis of the Company's operations and overall management conditions, through a comprehensive assessment that takes into account the achievement of business plans, responsibilities of the assigned work and the completion of work objectives, as well as individual performance and development.

Article 4 The remuneration management for the directors and senior management shall follow the principles below:

- (1) the principle of aligning remuneration with the long-term interests of the Company;
- (2) the principle of distribution according to work and matching of responsibilities, powers, and rights;
- (3) the principle of placing equal emphasis on incentives and constraints;
- (4) the principle that individual income levels are linked to corporate performance and work objectives.

ANNEX B THE REMUNERATION MANAGEMENT SYSTEM FOR THE DIRECTORS AND SENIOR MANAGEMENT

CHAPTER 2 COMPOSITION AND STANDARDS OF REMUNERATION

Article 5 The remuneration plan for the directors and senior management of the Company shall be formulated by the remuneration committee of the board, which shall specify the basis for determining remuneration and the specific composition thereof. The remuneration plan for the directors shall be determined by the general meeting and shall be disclosed. A director shall recuse himself/herself when the board or the remuneration committee evaluates the performance of or discusses the remuneration of such director.

Article 6 The remuneration plan for senior management shall be approved by the board, explained to the general meeting, and fully disclosed.

Article 7 The remuneration of the directors and senior management of the Company shall be commensurate with market development, aligned with the Company's operating performance and individual performance, and consistent with the sustainable development of the Company.

Article 8 Composition and standards of directors' remuneration:

- (1) For non-independent directors who concurrently hold other positions in the Company, their remuneration shall be determined based on their positions and job responsibilities within the Company. The specific payment standards shall be subject to the labour contracts entered into between the Company and such directors, and they shall not receive additional director's remuneration.

For non-independent directors who do not concurrently hold other positions in the Company, if they receive full-time remuneration for directors, the remuneration standards shall be considered and determined by the general meeting, and shall be subject to the specific appointment agreements.

- (2) The independent directors of the Company shall be subject to a fixed allowance system, the standards of which shall be considered and determined by the general meeting and shall be subject to the specific appointment agreements. Any reasonable expenses incurred by the independent directors in the performance of their duties shall be borne by the Company.

Article 9 Remuneration of the senior management:

The remuneration of the senior management of the Company consists of basic remuneration, performance-based remuneration, and medium-to-long-term incentive income, among which the proportion of performance-based remuneration shall, in principle, be no less than 50% of the total amount of basic remuneration and performance-based remuneration.

- (1) Basic remuneration shall be determined based on factors such as the actual management positions held in the Company, capabilities, and market salary conditions, and shall be paid on a monthly basis;

- (2) Performance-based remuneration shall be determined and distributed based on the annual operating conditions and individual performance appraisal results. A certain proportion of the performance-based remuneration shall be paid after the disclosure of the annual report and the performance evaluation, which shall be conducted based on audited financial data;
- (3) Medium-to-long-term incentive income: refers to rewards for the medium-to-long-term operating performance and contributions of the senior management of the Company, including but not limited to equity, options, employee share ownership plans, and other medium-to-long-term special bonuses, incentives, or rewards distributed by the Company based on actual circumstances. The incentive scheme shall be formulated by the Company based on actual circumstances.

The determination and payment of performance-based remuneration and medium-to-long-term incentive income for the directors and senior management shall be based on performance evaluation as an important basis.

Article 10 The human resources department, finance centre, and other relevant functional departments of the Company shall cooperate with the remuneration committee of the board in the specific implementation of the remuneration plan for the directors and senior management of the Company.

CHAPTER 3 PAYMENT OF REMUNERATION

Article 11 Allowances for independent directors and full-time remuneration for non-independent directors (if any) shall be paid once a month.

The basic remuneration of the directors and senior management holding positions in the Company shall be paid on a monthly basis, and the performance-based remuneration shall be settled on an annual basis according to the results of performance evaluations, and shall be subject to the constraints of the relevant appraisal measures of the Company.

Article 12 The remuneration of the directors and senior management of the Company are all pre-tax amounts. The Company shall, in accordance with the relevant regulations of the State and the Company, deduct the following items from the salaries and bonuses, and the remaining portion shall be paid to the individuals.

The items to be deducted and withheld by the Company include but are not limited to the following:

- (1) individual income tax to be deducted and withheld on behalf of the individual;
- (2) the portions of various social insurance premiums, housing provident fund contributions, etc. to be borne by the individual (if applicable);
- (3) other amounts stipulated by the State or the Company that are to be borne by the individual.

Article 13 In the event that any of the following circumstances occurs during the term of office of a director or senior management of the Company, the Company may, based on the actual situation, reduce or cease the payment of remuneration or allowances;

- (1) where the individual has been publicly censured or declared unsuitable by a stock exchange in the place of listing;
- (2) where the individual has been subject to administrative penalties by the securities regulatory commission at the place of listing due to material violations of laws or regulations;
- (3) where the individual has seriously harmed the interests of the Company or caused significant economic losses to the Company;
- (4) other circumstances as determined by the board of the Company to be in serious violation of the relevant regulations of the Company.

Article 14 Where directors and senior management of the Company leave their posts due to reasons such as change of session, re-election, or resignation during their term of office, their remuneration shall be calculated and paid based on their actual term of office and actual performance.

Article 15 Where the Company restates its financial reports due to misstatements such as financial fraud, it shall promptly re-appraise the performance-based remuneration and medium-to-long-term incentive income of its directors and senior management, and shall accordingly claw back the overpaid portion.

Where a director or senior management of the Company violates their obligations and causes losses to the Company, or is at fault for illegal or non-compliant acts such as financial fraud, misappropriation of funds, or non-compliant guarantees, the Company shall, depending on the severity of the circumstances, reduce or cease the payment of unpaid performance-based remuneration and medium-to-long-term incentive income, and shall fully or partially claw back the performance-based remuneration and medium-to-long-term incentive income already paid during the period in which the relevant acts occurred.

CHAPTER 4 REMUNERATION ADJUSTMENT

Article 16 The remuneration system shall serve the business strategy of the Company and be adjusted accordingly in line with the continuous changes in the Company's operating conditions to meet the needs of the Company's further development.

Article 17 The basis for remuneration adjustments for the directors and senior management of the Company includes, but is not limited to, the level of salary increase in the same industry, inflation level, the Company's profitability, the Company's development strategy or organizational restructuring, individual performance of duties, and individual performance.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

Article 18 Matters not covered in this System shall be carried out in accordance with the relevant provisions of national laws, administrative regulations, normative documents and the Articles of Association.

In the event of any inconsistency between this System and the provisions of relevant national laws, administrative regulations, normative documents and the Articles of Association, the provisions of the relevant national laws, administrative regulations, normative documents and the Articles of Association shall prevail.

Article 19 The board of the Company shall be responsible for the interpretation of this System.

Article 20 This System shall come into effect and be implemented upon consideration and approval by the general meeting.

Zhuzhou CRRC Times Electric Co., Ltd.

26 June 2026

* The Remuneration Management System for the Directors and Senior Management is written in Chinese. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.

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 RMB1,347,702,812, comprising 478,795,300 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**").

The Company proposes to cancel the then repurchased H Shares pending cancellation prior to the date of the AGM and the Class Meetings. As at the Latest Practicable Date, the Company had in total 478,795,300 H Shares in issue, of which 3,538,000 H Shares had been repurchased pending cancellation (the "**Repurchased H Shares**") as at the Latest Practicable Date. Assuming that (i) the Company will cancel the Repurchased H Shares prior to the date of the AGM and the Class Meetings and (ii) no H Shares will be allotted and issued or repurchased by the Company subsequent to the Latest Practicable Date and up to the date of the AGM and the Class Meetings, if the Repurchase Mandate is exercised in full on the basis of the total number of H Shares in issue less the Repurchased H Shares as at the Latest Practicable Date (being 475,257,300 H Shares), the Shares to be repurchased by the Company during the Relevant Period shall not exceed 47,525,700 H Shares under the Repurchase Mandate, representing 10% of the total number of H Shares in issue (excluding any treasury shares, if any) as at the Latest Practicable Date (adjusted to a board lot of 100 Shares). The Company may repurchase H Shares not exceeding 10% of the total number of the H Shares in issue (excluding any treasury shares, if any) as at the date of passing the relevant special resolution at the AGM and the Class Meetings under the Repurchase Mandate within the Relevant Period with reference to market conditions, based on funding arrangements and in accordance with the needs of the Company.

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 2025) 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\$
2025		
May	34.10	31.05
June	34.20	30.25
July	34.10	29.60
August	41.88	31.44
September	42.94	36.34
October	46.88	38.90
November	41.64	36.76
December	39.22	37.20
2026		
January	45.38	36.08
February	45.60	40.80
March	44.64	35.42
April	38.98	33.66
May (up to the Latest Practicable Date)	45.64	35.48

Shares Repurchased by Company

For the six months ended the Latest Practicable Date, the Company has repurchased a total of 13,783,600 H Shares from the Stock Exchange, of which 10,245,600 H Shares were cancelled on 12 May 2026, and 3,538,000 H Shares have not yet been cancelled as at the Latest Practicable Date and are proposed to be cancelled by the Company prior to the date of the AGM and the Class Meetings. Details of such Share repurchases are set out below:

Date of repurchase	Number of H Shares repurchased	Highest price per H Share (HK\$)	Lowest price per H Share (HK\$)	Total amount (HK\$) <i>Note</i>
10 February 2026	109,700	42.94	42.46	4,687,853.98
11 February 2026	66,500	43.66	43.28	2,899,320.20
20 February 2026	11,000	43.02	42.52	469,810.00
23 February 2026	4,300	43.62	43.14	186,761.90
24 February 2026	92,400	44.70	43.00	4,081,511.28
28 April 2026	5,079,100	36.48	33.68	174,522,955.10
29 April 2026	1,999,000	36.70	35.10	72,493,735.00
30 April 2026	745,500	36.00	35.56	26,684,650.65
4 May 2026	467,300	36.46	36.02	16,975,513.64
5 May 2026	253,000	36.36	35.48	9,118,575.40
6 May 2026	1,417,800	37.28	36.70	52,590,597.18
7 May 2026	1,217,400	37.84	37.14	45,676,117.56
8 May 2026	758,200	37.80	37.02	28,291,247.34
11 May 2026	1,126,700	37.88	37.28	42,284,149.64
12 May 2026	345,900	37.96	37.16	13,037,835.75
13 May 2026	89,800	38.98	37.50	3,437,535.02
Total	13,783,600			497,438,169.64

Note: The total amount does not include transaction expenses.

Save as disclosed above, no other 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, so far as may be applicable, 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 may 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 675,841,485 Shares (comprising 610,381,485 A Shares and 65,460,000 H Shares) (representing approximately 50.15% of the entire issued share capital of the Company) through its three wholly-owned subsidiaries, namely (i) CRRC ZELRI, which was directly interested in 600,381,485 A Shares (representing approximately 44.55% of the entire issued share capital of the Company), (ii) CRRC Zhuzhou, which was directly interested in 10,000,000 A Shares (representing approximately 0.74% of the entire issued share capital of the Company), and (iii) CRRC Hongkong, which was directly interested in 65,460,000 H Shares (representing approximately 4.86% of the entire issued share capital of the Company). As (1) CRRC ZELRI; and (2) the concert group comprising CRRC, the parties named in (i) to (iii) above together with the parties acting in concert with them (together the "**Concert Group**") have held in aggregate more than 50% of the voting rights of the Company, any further Share repurchases and cancellations by the Company will not result in the Concert Group being required to make a mandatory offer under Rule 26 of the Takeovers Code. 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 (and taking into account the Company's intention to cancel the Repurchased H Shares prior to the date of the AGM and the Class Meetings), the individual shareholding of CRRC ZELRI will increase to approximately 46.30% while the collective shareholding of the Concert Group will increase to approximately 52.12%. 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

The Company will cancel any Shares repurchased under the Repurchase Mandate and/or hold the repurchased Shares as treasury shares based on the circumstances at the time of the Share repurchase, such as market conditions and its capital management requirements.

No Unusual Feature

The Directors confirm that neither this explanatory statement nor the Repurchase Mandate has any unusual features.

CANDIDATES FOR EXECUTIVE DIRECTORS

Mr. Li Donglin, deputy of the 14th National People's Congress (第十四屆全國人大代表), 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, 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 Party secretary and chairman of the board of directors 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. 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 professorate senior engineer. He joined CRRC ZELRI in July 2003 as an engineer at the R&D centre. He served as an engineer at the R&D centre, the director and the deputy director of the industrial drive department of the Company from September 2005 to May 2011, and the deputy director and the 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 vice general manager and chief engineer of the Company. He served as an executive director and the general manager of the Company from September 2020 to May 2024, deputy secretary to the Party Committee, director and general manager of CRRC ZELRI since May 2024 and vice chairman of the Board and executive director of the Company since June 2024.

Mr. Xu Shaolong, born in 1984, a Chinese citizen without permanent residency abroad, graduated from Zhejiang University in 2006 with a bachelor's degree in automation. In 2016, he graduated from Zhejiang University with a master's degree in electrical engineering. In 2023, he graduated from Central South University with a doctor's degree in transportation engineering, and is a professor level senior engineer. From August 2006 to April 2013, he was an engineer of the Company's technology center. From May 2013 to April 2014, he worked as an engineer of CRRC ZELRI research institute. From April 2014 to June 2017, he successively served as the system technology application engineer, the leader of the system technology group and the director of the transmission control department of the Company's technology center. From June 2017 to October 2020, he served as deputy director and director of the Company's rail transit technology center. He served as deputy general manager of the Company from November 2020 to January 2022. From January 2022 to June 2022, he served as the assistant general manager and general manager of industrial development division of CRRC ZELRI. From July 2022 to February 2023, he served as assistant general manager and general manager of comprehensive energy division of CRRC ZELRI. From March 2023 to June 2024, he served as deputy general manager and general manager of comprehensive energy division of CRRC ZELRI. From September 2023 to June 2024, he served as the secretary of the board of directors of CRRC ZELRI. He served as an executive Director and general manager of the Company from June 2024 to December 2025. He has served as Party Secretary, an executive Director and general manager of the Company since December 2025.

Mr. Xu Shaolong has served as a director of a shareholder entity of the Company, Zhuzhou Guochuang Railway Technology Co., Ltd.* (株洲國創軌道科技有限公司), since February 2025. He is currently also the vice chairman of the board of the aforesaid company, and the chairman of the board of Zhuzhou CRRC Times Semiconductor Co., Ltd.* (株洲中車時代半導體股份有限公司) and Hunan CRRC Times Electric Drive Technology Co., Ltd.* (湖南中車時代電驅科技有限公司), both being subsidiaries of the Company.

CANDIDATES FOR INDEPENDENT NON-EXECUTIVE DIRECTORS

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. He has been an independent director of SERES Group Co., Ltd. (賽力斯集團股份有限公司) (stock code: 601127.SH, 09927.HK) since November 2022 and a concurrent independent director of Bethel Automotive Safety Systems Co., Ltd. (蕪湖伯特利汽車安全系統股份有限公司) (stock code: 603596.SH) since September 2024, and concurrent Chief Advisor to the Science and Technology Innovation Committee of China Certification & Inspection (Group) Co., Ltd. since February 2025. 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, graduated from Fudan University and Peking University with a bachelor's degree and a master's degree in economics in July 2005 and July 2008, respectively, and graduated from the Hong Kong University of Science and Technology in March 2013 with a doctor's degree in finance. From March 2013 to December 2015, he successively served as an assistant professor and associate professor of the College of Economics and Management of Tongji University. Since December 2015, he has been a professor and doctoral supervisor of the College of Economics and Management of Tongji University. Since October 2017, he has been the dean of the Department of Economics and Finance of the College of Economics and Management of Tongji University. Since January 2018, he has been the head of the first-level discipline of Applied Economics of the College of Economics and Management of Tongji University. From December 2021 to December 2025, he has been the deputy dean of the College of Economics and Management of Tongji University. Since January 2025, he has been a second-class professor of the School of Economics and Management of Tongji University. He has served as deputy director of the Foreign Affairs Office and concurrently as director of the Hong Kong, Macao and Taiwan Affairs Office of Tongji University since September 2025. Mr. Zhong served as the short-term consultant of the World Bank and the chief expert of the international projects of the Asian Development Bank. He currently also serves as the second special supervisor of the Shanghai Municipal Supervisory Commission, the political consultant of the Chinese People's Political Consultative Conference of Shanghai, the deputy secretary general of the Shanghai Economic Association and the vice chairman of the Shanghai Financial Technology Industry Alliance. He has been an independent non-executive Director of the Company since June 2023.

Mr. Lam Siu Fung, born in 1974, a Chinese citizen with permanent residence in Hong Kong, graduated from The Chinese University of Hong Kong with a bachelor's degree in accounting in 1997 and is a Certified Public Accountant in Hong Kong. From September 1997 to February 2007, he successively served as an audit manager and a senior manager of Ernst & Young. From February 2007 to April 2009, he served as a director of the audit department of Horwath Hong Kong CPA Limited. Since May 2009, he has been a director of the audit department and a director of family office services of BDO Limited. Mr. Lam is currently a council member of the Hong Kong Institute of Certified Public Accountants, a member of the Registration Approval Committee and a member of the Small and Medium Practitioners Committee. Mr. Lam has over 25 years of experience in accounting and has extensive experience in auditing, accounting and taxation in Hong Kong and the Mainland. He has served listed companies and IPO clients in various industries, including manufacturing, retail, real estate development, real estate agency, biotechnology, natural resources industry, entertainment and media, infrastructure and information technology. He has been an independent non-executive Director of the Company since June 2023.

Ms. Feng Xiaoyun, born in 1962, a Chinese citizen without permanent residency abroad, graduated from Southwest Jiaotong University in 1983 with a bachelor's degree majoring in electric locomotive, and in 1988 and 2001 with a master's degree and doctorate degree, respectively, majoring in power electronics and power transmission. Ms. Feng successively served as a lecturer, assistant to the dean and deputy dean of the School of Electrical Engineering of Southwest Jiaotong University from July 1983 to February 2009, head of the laboratory and equipment management office of Southwest Jiaotong University from February 2009 to January 2020, assistant to president and executive vice president of the graduate school of Southwest Jiaotong University from January 2010 to July 2012, member of the standing committee of Party Committee and vice president of Southwest Jiaotong University from July 2012 to December 2021, and second-tier professor of the School of Electrical Engineering of Southwest Jiaotong University since December 2021. She has been an independent non-executive Director of the Company since June 2024.

SUMMARY

If each of Mr. Li Donglin, Mr. Shang Jing, Mr. Xu Shaolong, Mr. Li Kaiguo, Mr. Zhong Ninghua, Mr. Lam Siu Fung and Ms. Feng Xiaoyun is appointed as a Director of the eighth 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 in accordance with the Articles of Association. Remunerations of Directors during their term of office shall be determined based on the remuneration policy as considered and approved at the AGM. In particular, Mr. Li Donglin, Mr. Shang Jing and Mr. Xu Shaolong, if appointed as executive Directors, will not receive directors' fees. Mr. Li Kaiguo, Mr. Zhong Ninghua and Ms. Feng Xiaoyun, if appointed as independent non-executive Directors, will be entitled to an annual remuneration/allowance of RMB100,000 (exclusive of tax) as directors' fees, while Mr. Lam Siu Fung, if appointed as an independent non-executive Director, will be entitled to an annual remuneration/allowance of RMB244,000 (exclusive of tax) as a director's fee. The remuneration/allowance of the above-mentioned individuals is determined with reference to their experience, duties and responsibilities within the Group, the Company's performance, remuneration standards in the industry and the market conditions. The Company will disclose the remuneration of the Directors after it is determined, details of which can be found in the annual report and the circular for the general meeting of the Company to be published in due course.

Save as disclosed above, as at the Latest Practicable Date, each candidate for the executive Directors and independent non-executive Directors of the eighth session of the Board confirmed that (i) he/she did not hold any position in the Company and other members of the Group; (ii) he/she had not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years, and had no other major appointments and professional qualifications; (iii) he/she did not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iv) he/she did 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); (v) there were no other matters relating to his/her appointment that need to be brought to the attention of the Shareholders, nor was 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 (vi) the Company was not aware of any other matters that need to be brought to the attention of the Shareholders or the Stock Exchange.

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

In proposing the re-election and appointment of the aforementioned Director candidates as independent non-executive Directors of the Company, the Board and the Nomination Committee have complied with the Articles of Association and the Company's nomination policy, and have taken into account a number of factors (including, but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), whilst giving due consideration to the benefits of Board diversity as set out in the Company's Board Diversity Policy. Based on the capabilities and experience demonstrated in their biographical details, their contributions to the Board and their performance during the previous term of office, the Board considers that the four candidates for independent non-executive Directors will continue to provide objective and independent opinions on the Company's operations and development, thereby promoting the effective functioning of the Board and Board diversity.