THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in China Railway Signal & Communication Corporation Limited*, you should at once hand this circular and the enclosed form of proxy for the AGM to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).

中國鐵路通信信號股份有限公司

China Railway Signal & Communication Corporation Limited*

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

(Stock Code: 3969)

(1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2025
(2) 2025 ANNUAL REPORT
(3) FINAL ACCOUNT REPORT FOR 2025
(4) PROFITS DISTRIBUTION PLAN FOR 2025
(5) APPOINTMENT OF AUDITOR FOR 2026
(6) REMUNERATIONS FOR DIRECTORS OF THE COMPANY FOR 2025
(7) RULES OF REMUNERATION MANAGEMENT FOR DIRECTORS AND SENIOR MANAGEMENT
AND
(8) NOTICE OF 2025 ANNUAL GENERAL MEETING

A letter from the Board is set out on pages 1 to 11 of this circular.

The AGM will be held by the Company at 2:00 p.m. on Monday, 29 June 2026 physically at Meeting Room, Building A, CRSC Building, 1 Compound, Automobile Museum South Road, Fengtai District, Beijing, the PRC. The notice to convene the AGM is set out on pages 12 to 13 of this circular.

The circular and the accompanying form of proxy for the AGM are also published on the HKEXnews website of The Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.crsc.cn).

Whether or not you propose to attend the AGM, H Shareholders of the Company are requested to complete the form of proxy for the AGM in accordance with the instructions printed thereon and return it to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof, i.e. not later than 2:00 p.m. on Friday, 26 June 2026. Completion and return of the form of proxy for the AGM will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

8 June 2026

* *For identification purpose only*

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

"A Share(s)"	ordinary Share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are traded in RMB and listed on Science and Technology Innovation Board of the Shanghai Stock Exchange
"A Shareholder(s)"	holder(s) of A Share(s) of the Company
"AGM"	the annual general meeting of the Company for the year 2025 to be convened and held physically at 2:00 p.m. on Monday, 29 June 2026 at Meeting Room, Building A, CRSC Building, 1 Compound, Automobile Museum South Road, Fengtai District, Beijing, the PRC
"Articles of Association"	the articles of association of the Company (as amended from time to time)
"Board" or "Board of Directors"	the board of directors of the Company
"Company"	China Railway Signal & Communication Corporation Limited* (中國鐵路通信信號股份有限公司)
"Director(s)"	the director(s) of the Company
"H Share(s)"	overseas listed foreign share(s) in the Company's ordinary share capital with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in HK dollars
"H Shareholder(s)"	holder(s) of H Share(s) of the Company
"HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	8 June 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

"PRC"	the People's Republic of China, which for the purposes of this circular excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	A Share(s) and/or H Share(s)
"Shareholder(s)"	A Shareholder(s) and/or H Shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary" or "subsidiaries"	has the meaning ascribed to it under the Listing Rules
"%"	Percent



中國鐵路通信信號股份有限公司
China Railway Signal & Communication Corporation Limited*

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

(Stock Code: 3969)

Chairman of the Board and Executive Director:
Mr. LOU Qiliang

Executive Director:
Mr. DONG Baoliang

Independent Non-executive Directors:
Mr. YAO Guiqing
Mr. YAO Cho Fai Andrew
Mr. FU Junyuan

Non-executive Director:
Ms. LUO Jing *(employee Director)*

Registered address:
20th Floor, Building A, CRSC Building
1 Compound, Automobile Museum South Road
Fengtai District, Beijing, the PRC

Principal place of business in the PRC:
CRSC Building
1 Compound, Automobile Museum South Road
Fengtai District, Beijing, the PRC

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

8 June 2026

To the Shareholders

Dear Sir/Madam,

(1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2025
(2) 2025 ANNUAL REPORT
(3) FINAL ACCOUNT REPORT FOR 2025
(4) PROFITS DISTRIBUTION PLAN FOR 2025
(5) APPOINTMENT OF AUDITOR FOR 2026
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(7) RULES OF REMUNERATION MANAGEMENT FOR DIRECTORS AND SENIOR MANAGEMENT
AND
(8) NOTICE OF 2025 ANNUAL GENERAL MEETING

* *For identification purpose only*

I. INTRODUCTION

The AGM will be held by the Company at 2:00 p.m. on Monday, 29 June 2026 physically at Meeting Room, Building A, CRSC Building, 1 Compound, Automobile Museum South Road, Fengtai District, Beijing, the PRC. The notice to convene the AGM is set out on pages 12 to 13 of this circular.

The purpose of this circular is to provide you with details of the resolutions to be proposed for you to consider and approve at the AGM, and to provide relevant information to enable you to make an informed decision on whether to vote for or against or abstain from voting on those resolutions. Such resolutions and the relevant details are set out in the letter from the Board.

II. MATTERS TO BE RESOLVED AT THE AGM

Ordinary Resolutions

1. Work Report of the Board of Directors for 2025

An ordinary resolution will be proposed at the AGM to approve the work report of the Board of Directors for 2025, the full text of which is set out in Appendix I to this circular.

2. 2025 Annual Report

An ordinary resolution will be proposed at the AGM to approve the 2025 annual report, the full text of which was published on the HKEXnews website of The Hong Kong Exchanges and Clearing Limited and the Company's website on 17 April 2026.

3. Final Account Report for 2025

An ordinary resolution will be proposed at the AGM to approve the final account report for 2025.

The Company has prepared the 2025 financial statements and notes thereof, and has appointed BDO China Shu Lun Pan Certified Public Accountants LLP to audit the Company's financial statements as of 31 December 2025. BDO China Shu Lun Pan Certified Public Accountants LLP considered that the Company's financial statements were prepared in compliance with the provisions of the Enterprise Accounting Standards formulated by the Ministry of Finance of the PRC in all material respects, which fairly reflected the Company's consolidated financial position and the Company's financial position as at 31 December

2025, and the consolidated operating results and cash flows, and the Company's operating results and cash flows of 2025. Details of the above statements are set out in the Company's 2025 annual report published on the HKEXnews website of The Hong Kong Exchanges and Clearing Limited and the website of the Company on 17 April 2026.

4. Profits Distribution Plan for 2025

An ordinary resolution will be proposed at the AGM to approve the profits distribution plan for 2025 of the Company.

The Company (the parent company) had an undistributed profit of RMB2,192.1564 million at the beginning of 2025. As audited by BDO China Shu Lun Pan Certified Public Accountants LLP, the Company realized a net profit of RMB2,116.6569 million for 2025. After withdrawing 10% of the statutory surplus reserve and distribution of dividends, the profit available for distribution at the end of 2025 was RMB2,239.8783 million.

The Board of Directors reviewed and approved the Profits Distribution Plan for 2025 of the Company on 24 March 2026. According to the profit distribution policy of the Company, it is proposed that a dividend for 2025 be distributed to all Shareholders in cash at RMB1.70 per 10 Shares (tax inclusive) by the Company based on the total share capital of 10,589,819,000 Shares after the A+H listing and issuance. In particular: domestic shareholders will be paid in RMB; H Shareholders will be paid in HK dollars. The exchange rate of HK dollars will be calculated in accordance with the average closing rates for foreign exchange published by the People's Bank of China three working days prior to the date on which the dividend is declared. A total cash dividend of RMB1,800.27 million will be distributed, accounting for 48.84% of the profit available for distribution attributable to ordinary shareholders of the listed company in the consolidated statements of the Company of RMB3,686.4106 million for 2025. If the total share capital of the Company changes before the record date(s) for the implementation of the equity distribution, the Company intends to maintain the distribution amount per Share unchanged and adjust the total distribution amount accordingly.

It is also proposed at the AGM to authorize the Board to implement the matters relating to the profit distribution, and for the Board to further authorize the chairman of the Board of the Company for specific implementation, and to deal with the matters relating to tax withholding in accordance with the requirements of relevant laws, regulations and regulatory authorities.

If the proposal is approved by the AGM upon consideration, the said cash dividend will be distributed before Friday, 28 August 2026 to H Shareholders whose names appear on the Company's register of members.

Withholding and Payment of Cash Dividend Income Tax on Behalf of Shareholders

Cash dividend income tax applicable to overseas Shareholders

*Withholding and payment of PRC enterprise income tax ("**EIT**") on behalf of overseas non-resident enterprise Shareholders*

Pursuant to the applicable provisions of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法》) and its implementing rules and the requirements under the Notice on the Issues Concerning Withholding and Payment of the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Who Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《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税有關問題的通知》(國税函[2008]897號)) (the "**Tax Notice**") issued by the State Administration of Taxation, the Company will withhold and pay EIT at the rate of 10% when it distributes the cash dividend to overseas non-resident enterprise holders of H Shares (including any H Shares of the Company registered in the name of HKSCC Nominees Limited, but excluding any H Shares of the Company registered in the name of HKSCC Nominees Limited which are held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder on behalf of investors who invest in the H Shares of the Company through Shanghai – Hong Kong Stock Connect).

Withholding and payment of individual income tax on behalf of overseas individual Shareholders

Pursuant to the applicable provisions of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得税法》) and its implementing regulations, the Tax Notice (《税收通知》) and other relevant laws and regulations, the Company will implement the following arrangements in relation to the withholding and payment of individual income tax on behalf of the overseas individual H Shareholders:

- For individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shareholders in the distribution of the cash dividend;

- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shareholders in the distribution of the cash dividend. If relevant individual H Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, the Company will handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the Tax Notice. Qualified Shareholders please submit in time a letter of entrustment and all application materials as required under the Tax Notice to the Company's H share registrar, Computershare Hong Kong Investor Services Limited. The Company will then submit the above documents to the competent tax authorities and, after their examination and if and when the documents are approved, the Company will assist in refunding the excess amount of tax withheld and paid;

- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty on behalf of these individual H Shareholders in the distribution of the cash dividend; and

- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of these individual H Shareholders in the distribution of the cash dividend.

Cash Dividend Income Tax Applicable to Shareholders in Mainland China Investing in H Shares of the Company through Southbound Trading Link

Withholding and payment of individual income tax on behalf of domestic individual Shareholders investing through Southbound Trading Link

- Shanghai – Hong Kong Stock Connect: Pursuant to the Notice on Tax Policies for Shanghai – Hong Kong Stock Connect Pilot Program (Cai Shui [2014] No. 81) (《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 domestic individual Shareholders who invest in H Shares of the Company through Shanghai – Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the cash dividend. For domestic Shareholders who are securities investment funds investing in H Shares of the Company through Shanghai – Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the cash dividend.

- Shenzhen – Hong Kong Stock Connect: Pursuant to the Notice on Tax Policies for Shenzhen – Hong Kong Stock Connect Pilot Program (Cai Shui [2016] No. 127) (《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 domestic individual Shareholders who invest in H Shares of the Company through Shenzhen – Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the cash dividend. For domestic Shareholders who are securities investment funds investing in H Shares of the Company through Shenzhen – Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the cash dividend.

No withholding and payment of EIT on behalf of domestic enterprise Shareholders investing through Southbound Trading Link

- Shanghai – Hong Kong Stock Connect: Pursuant to the Notice on Tax Policies for Shanghai – Hong Kong Stock Connect Pilot Program (Cai Shui [2014] No. 81) (《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 domestic enterprise Shareholders who invest in H Shares of the Company through Shanghai – Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder), the Company will not withhold or pay EIT on their behalf in the distribution of cash dividends, and the domestic enterprise Shareholders shall report and pay the relevant taxes payable by themselves. Any dividend received in respect of H Shares of the Company which have been continuously held by a domestic enterprise Shareholder for 12 months shall be exempted from EIT.

- Shenzhen – Hong Kong Stock Connect: Pursuant to the Notice on Tax Policies for Shenzhen – Hong Kong Stock Connect Pilot Program (Cai Shui [2016] No. 127) (《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 domestic enterprise Shareholders who invest in H Shares of the Company through Shenzhen – Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder), the Company will not withhold or pay EIT on their behalf in the distribution of cash dividends, and the domestic enterprise Shareholders shall report and pay the relevant taxes payable by themselves. Any dividend received in respect of H Shares of the Company which have been continuously held by a domestic enterprise Shareholder for 12 months shall be exempted from EIT.

H Shareholders of the Company are recommended to consult their own tax advisors on the relevant tax impact in China, Hong Kong and other countries (regions) on the possession and disposal of H Shares of the Company.

The timing arrangement, including the record date and the cash payment date, for Shanghai – Hong Kong Stock Connect and Shenzhen – Hong Kong Stock Connect investors is the same as that for H Shareholders of the Company.

5. Appointment of Auditor for 2026

An ordinary resolution will be proposed at the AGM to approve the appointment of auditor for 2026.

In accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Basic Standards for Corporate Internal Control and the information disclosure requirements for companies listed on the STAR Market, as well as the Articles of Association, the Company is required to engage an accounting firm to conduct an audit of the Company's annual financial statements and internal control and to issue an audit report accordingly.

BDO China Shu Lun Pan Certified Public Accountants LLP, in the course of its audit services for the year 2025, has performed its duties diligently, followed the practice standards of independence, objectivity and impartiality, and completed the audit-related work in a timely manner. After consideration by the audit and risk management committee, it is proposed to re-appoint BDO China Shu Lun Pan Certified Public Accountants LLP as the Company's financial statements auditor and internal control auditor for 2026, with a term of one year (commencing from the conclusion of the AGM of the Company to the conclusion of the next annual general meeting of the Company). It is also proposed to the shareholders' meeting to authorize the Board to determine the 2026 annual audit fee according to the specific workload of the auditor and the market price level in 2026. Assuming there are no material changes in the Company's operating conditions, accounting policies or regulatory environment, and based on the current estimated workload and prevailing market rates, the Company expects its audit fees for the year 2026 to range from RMB6.60 million to RMB6.80 million. Unless there are material changes to the aforementioned bases or assumptions, the final audit fees are not expected to differ significantly from the estimated amount initially disclosed. Should any significant changes arise, the Company will make further disclosures in due course.

6. Remunerations for Directors of the Company for 2025

An ordinary resolution will be proposed at the AGM to approve the remuneration plan for the Directors of the Company for 2025, and authorize the human resources department of the Company to implement the details of such plan.

The remuneration and benefit standards for Directors of the Company for 2025 are reported according to laws and regulations such as the Company Law of the People's Republic of China, the Governance Standards of Listed Companies and securities regulatory requirements of mainland China and Hong Kong as follows:

1. The remuneration and benefit standards for executive Directors: total pre-tax remunerations (including basic salaries and performance-based salaries) + social insurances ("social insurance and housing provident fund" paid by the Company for individuals) + annuity (supplementary pension insurance paid by the Company for individuals).

2. The remunerations for independent non-executive Directors consist of basic remunerations, allowances for attending Board meetings, allowances for attending meetings of special committees under the Board. Among them, basic pre-tax annual remunerations for chairmen of special committees under the Board and other independent non-executive Directors are RMB100,000 and RMB80,000, respectively; and pre-tax allowances for attending Board meetings and meetings of special committees under the Board are RMB3,000 per meeting and RMB2,000 per meeting, respectively.

3. Where an independent non-executive Director is a former person-in-charge of a central enterprise who has left his/her current post, including a leader of a state-owned enterprise, state-owned financial enterprise or other unit, and their internal institutions and subsidiaries, the remuneration payment standards shall be implemented in accordance with the Notice on Salary Allowances for External Directors Served by Persons-in-charge of Central Enterprises Leaving Their Current Posts (Guo Zi [2016] No. 531) (《關於退出現職的中央企業負責人擔任外部董事發放工資補貼有關事項的通知》(國資[2016]531號)) and the Notice on Adjusting the Work Allowances Standards for Retired Persons in Charge of Central Enterprises as External Directors (Guoziting Kao Fen [2020] No. 187) (《關於調整退出現職的中央企業負責人擔任外部董事工作補貼標準的通知》(國資廳考分[2020]187號)). The pre-tax work allowance is pre-paid at RMB5,000/month per person and, after the annual performance evaluation result is determined, shall be settled and paid according to the corresponding standards. If the annual performance evaluation result is excellent, the pre-tax work allowance standard shall be RMB100,000/year; if the evaluation result is good, the pre-tax work allowance standard shall be RMB80,000/year; and if the evaluation result is basically competent or below, the pre-tax work allowance standard shall be RMB60,000/year, and no meeting allowance in any form is received.

For details, please refer to Appendix II of this circular for the remuneration and benefits for Directors of the Company for 2025 formulated on an annual-term basis. Relevant remuneration and benefit standards should strictly comply with the regulations related to the remuneration management of persons-in-charge and external Directors of central enterprises under the State-owned Assets Supervision and Administration Commission of the State Council, the regulations related to internal remuneration evaluation management of the Company, and state-owned asset and securities regulatory policies and requirements.

7. Rules of Remuneration Management for Directors and Senior Management

The Company proposes to formulate the Rules of Remuneration Management for Directors and Senior Management and submit it to the AGM for consideration and approval.

Details of the Rules of Remuneration Management for Directors and Senior Management are set out in Appendix III to this circular. The English version of the Rules of Remuneration Management for Directors and Senior Management is an unofficial translation of the Chinese version. In the event of any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

III. THE AGM AND VOTING METHOD

The AGM will be held by the Company at 2:00 p.m. on Monday, 29 June 2026 physically at the Meeting Room, Building A, CRSC Building, 1 Compound, Automobile Museum South Road, Fengtai District, Beijing, the PRC. The notice to convene the AGM is set out on pages 12 to 13 of this circular. A form of proxy for the AGM is enclosed herewith. The circular and the accompanying form of proxy for the AGM are also published on the HKEXnews website of The Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.crsc.cn).

Whether or not you propose to attend the AGM, the Company's H Shareholders are requested to complete the form of proxy for the AGM in accordance with the instruction printed thereon and return it to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof, i.e. not later than 2:00 p.m. on Friday, 26 June 2026. Completion and return of the form of proxy for the AGM will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish, in which case the form of proxy for the AGM will be deemed as having been revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions set out in the notice of the AGM shall be voted by poll. Votes by the Shareholders may be given either personally or by proxy.

IV. CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements of the Shareholders to attend the AGM, the register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both days inclusive), during which period no transfer of Shares of the Company will be effected. Holders of H Shares of the Company whose names appear on the register of H Shares of the Company kept at Computershare Hong Kong Investor Services Limited at the close of business on Tuesday, 23 June 2026 are entitled to attend and vote at the AGM following completion of the registration procedures. To be eligible to attend and vote at the AGM, all transfer documents 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 holders of H Shares of the Company no later than 4:30 p.m. on Tuesday, 23 June 2026.

V. RECOMMENDATION

The Board considers that the above-mentioned resolutions are in the interests of the Company and the Shareholders as a whole, and thereby recommends the Shareholders to vote in favour of the resolutions at the AGM.

By order of the Board
China Railway Signal & Communication Corporation Limited*
LOU Qiliang
Chairman

中國鐵路通信信號股份有限公司

China Railway Signal & Communication Corporation Limited*

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

(Stock Code: 3969)

NOTICE OF 2025 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the "**AGM**") for the year 2025 of China Railway Signal & Communication Corporation Limited* (the "**Company**") will be held at 2:00 p.m. on Monday, 29 June 2026 physically at the Meeting Room, Building A, CRSC Building, 1 Compound, Automobile Museum South Road, Fengtai District, Beijing, the PRC for the purpose of considering, among others, and if thought fit, passing the following resolutions.

ORDINARY RESOLUTIONS

1. Resolution on the Work Report of the Board of Directors for 2025 of China Railway Signal & Communication Corporation Limited*

2. Resolution on the 2025 Annual Report of China Railway Signal & Communication Corporation Limited*

3. Resolution on the Final Account Report for 2025 of China Railway Signal & Communication Corporation Limited*

4. Resolution on the Profits Distribution Plan for 2025 of China Railway Signal & Communication Corporation Limited*

5. Resolution on the Appointment of Auditor for 2026

6. Resolution on the Remunerations for Directors of the Company for 2025

7. Resolution on Rules of Remuneration Management for Directors and Senior Management of China Railway Signal & Communication Corporation Limited*

By order of the Board
China Railway Signal & Communication Corporation Limited*
LOU Qiliang
Chairman

Beijing, the PRC, 8 June 2026

Notes:

(A) The register of members will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both days inclusive), during which period no transfer of the H Shares will be effected. Holders of H Shares of the Company whose names appear on the register of H Shares of the Company kept at Computershare Hong Kong Investor Services Limited at the close of business on Tuesday, 23 June 2026 are entitled to attend and vote at the AGM following completion of the registration procedures. To qualify for attendance and voting at the AGM, documents on transfers of H Shares of the Company, 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 holders of H Shares of the Company no later than 4:30 p.m. on Tuesday, 23 June 2026.

(B) Each shareholder entitled to attend and vote at the AGM may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the AGM on his/her behalf. A proxy need not be a shareholder of the Company. With respect to any shareholder who has appointed more than one proxy, the proxy holders may only vote on a poll.

(C) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his/her attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its legal representative or duly authorized attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorization of such attorney shall be notarized.

(D) To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in Note (C) above must be delivered, in person or by post, to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) not less than 24 hours before the time appointed for the AGM or any adjournment thereof (as the case may be), i.e. not later than 2:00 p.m. on Friday, 26 June 2026. Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he/she so desires.

(E) A shareholder or his/her proxy should produce proof of identity when attending the AGM. Where a shareholder is a legal person, the legal representative of that shareholder or the person authorized by its board of directors or other governing body shall produce a copy of the authorization documents of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

(F) The AGM is expected to last for not more than half a day. Shareholders who attend the AGM shall bear their own travelling and accommodation expenses.

As at the date of this notice, the executive Directors of the Company are Mr. LOU Qiliang and Mr. DONG Baoliang, the independent non-executive Directors of the Company are Mr. YAO Guiqing, Mr. YAO Cho Fai Andrew and Mr. FU Junyuan, and the non-executive Director of the Company is Ms. LUO Jing (employee Director).

* *For identification purposes only*

WORK REPORT OF THE BOARD OF DIRECTORS FOR 2025 OF CHINA RAILWAY SIGNAL & COMMUNICATION CORPORATION LIMITED*

Dear Shareholders and Shareholder representatives,

In accordance with the Articles of Association of China Railway Signal & Communication Corporation Limited* (the "**Articles of Association**") and the Rules of Procedure of the Board of Directors of China Railway Signal & Communication Corporation Limited*, the Work Report of the Board of Directors for 2025 of China Railway Signal & Communication Corporation Limited* is hereby reported to the general meeting.

2025 marks the final year of the 14th Five-Year Plan and a pivotal period for building on past achievements and advancing into a new stage of development. CRSC has thoroughly studied and implemented the spirit of crucial instructions of General Secretary Xi Jinping on the work of central state-owned enterprises, and has diligently followed the guiding principles of the 20th National Congress of the Communist Party of China and subsequent plenary sessions, as well as the Central Economic Work Conference and meetings of central SOE leaders. The Company has resolutely implemented the requirements of the State-owned Assets Supervision and Administration Commission (SASAC) to enhance the core functions and competitiveness of central enterprises. It has firmly embraced strategic, technological, and industrial thinking, with a focus on enhancing "five key values," resulting in notable improvements in technological innovation, industrial control, and security support capabilities. The work of the Board of Directors for 2025 is reported as follows.

I. ADHERING TO CORE BUSINESS FOCUS AND ACHIEVING SOLID PROGRESS IN HIGH-QUALITY DEVELOPMENT

In 2025, amid a complex and evolving domestic and international environment, the Board of Directors strictly performed its duties in accordance with the Company Law, the Articles of Association, and relevant laws and regulations. Remaining true to its mission and providing strategic leadership, the Board maintained strong strategic resolve, deepened reform and innovation, and proactively addressed various risks and challenges. It steadily advanced the implementation of key annual tasks, with industrial development demonstrating a favorable trend of "one increase, one advancement, and one reduction," ensuring the Company's steady and sustainable growth.

(I) Stable and Improving Economic Performance with Solid Achievement of Growth Targets

CRSC fully implemented the decisions and deployment of the CPC Central Committee and the State Council on stabilizing growth, maintaining steady operations throughout 2025. The Company recorded total operating revenue of RMB34.677 billion, representing a year-on-year increase of 6.23%. Total profit reached RMB4.908 billion, up 3.75% year-on-year, while net profit amounted to RMB4.247 billion, representing a year-on-year increase of 4.37%. Net profit attributable to shareholders of the parent company reached RMB3.686 billion, up 5.48% year-on-year. Return on equity stood at 7.53%, representing an increase of 0.19 percentage point compared to the end of the previous year. During the year, the Company secured newly signed external contracts totaling RMB44.14 billion, achieving solid results in maintaining stable and high-quality growth.

(II) Deepening Innovation-Driven Development and Further Optimizing Industrial Layout

First, the Company strengthened its independent innovation capabilities. It continued to increase R&D investment, focusing on breakthroughs in core technologies such as cloud-based traffic control and low-altitude intelligent management, thereby enhancing its capability as a source of original technologies. It also improved the commercialization mechanism for scientific and technological achievements, and deepened industry–academia–research collaboration with academicians, universities, and research institutes, forming a closed-loop innovation chain of "basic research – technological breakthroughs –achievements transformation." Second, digital and intelligent technologies were leveraged to upgrade traditional industries. The Company expanded the application scope of key technological breakthroughs, enabling on-site deployment of industry-leading solutions such as the two-tier architecture traffic control system and integrated intelligent networked control platforms. Achievements including China–Europe standard-compatible control systems and railway communication network security standards have reached internationally leading levels. Third, aligned with national strategies, the Company accelerated the layout of strategic emerging industries. It promoted the large-scale implementation of the low-altitude economy and other intelligent application scenarios, fostering a "second growth curve." Progress was made in full-scenario deployment in intelligent low-altitude operations, expansion of intelligent operational applications, and the empowerment of urban governance through smart city solutions. Fourth, the Company increased investment in the development and application of digital technologies, particularly artificial intelligence. It advanced system-wide implementation of "digital transformation and lean management," accelerated lean R&D practices, and comprehensively promoted the development of digitalized production lines in industrial enterprises and intelligent empowerment in engineering and construction operations, thereby improving operational efficiency and precision delivery capabilities. Fifth, the industrial structure was further optimized. In 2025, resources were concentrated on

strengthening the dual-track development of rail transit and the low-altitude economy, while decisively reducing exposure to municipal construction and housing construction. Newly signed contracts in the municipal and housing construction segment amounted to RMB852 million, representing a year-on-year decline of 81.84%, with its share reduced to 1.93%.

(III) Deepening Reform to Strengthen Endogenous Growth Momentum

First, the Company continued to advance its reform deepening and enhancement initiatives. All five major categories of tasks and 233 specific measures were completed on schedule. It optimized the division of responsibilities across the "Four Intelligences" industrial segments, improved the full value-chain operating system for both traditional and strategic emerging industries, and concentrated efforts on accelerating industrial transformation and upgrading. In parallel, the Company advanced the development of world-class enterprises and the establishment of specialized leading demonstration enterprises, fully completing its value creation initiatives. Second, capital operation capabilities were further enhanced. In line with the "industry + capital" dual-engine development strategy, the Company focused on its dual-track approach and steadily carried out joint ventures, strategic partnerships, and mergers and acquisitions. It established several new entities, including CRSC Zijin Company, Nujiang Grand Canyon Low-Altitude Company, Inner Mongolia Jiaotou Joint Venture, and the Greater Bay Area Low-Altitude Research Institute, accelerating industrial deployment. Third, the Company continued to deepen reforms in the three key institutional mechanisms. It further expanded and improved the tenure-based and contract-based management system, regularly implemented performance-based adjustments and exit mechanisms for underperforming management personnel, and enhanced talent mobility between headquarters and subsidiaries. A more refined and differentiated compensation system was established, balancing incentives and constraints while emphasizing both efficiency and fairness, thereby strengthening organizational vitality. Aligned with the transformation needs of the "Four Intelligences" industries, the Company also deepened organizational restructuring at headquarters, implemented competitive appointment mechanisms, and provided strong organizational and talent support for optimizing industrial layout and structural adjustments.

(IV) Fulfilling Social Responsibilities and Strengthening the Foundations for Sustainable Development

First, the Company advanced green and low-carbon development. CRSC strictly fulfilled its environmental responsibilities, embedding the principles of ecological priority and green development into its corporate strategy and all aspects of operations. It actively leveraged technology to drive environmental protection and promote low-carbon transformation. Key innovations included an electromagnetic induction heating system for railway switches, improving electricity-to-heat conversion efficiency by 50%–90%; dual-cooling energy-saving air conditioning for railway communication base stations, achieving energy savings of 41%; and fully automated flexible train marshalling technology, reducing traction energy consumption by 40%–50%. Meanwhile, the Company comprehensively advanced green manufacturing and supply chain development, successfully establishing provincial-level green factories. Its green supply chain practices were selected among the Top 10 cases in the SASAC's Central SOEs Green and Low-Carbon Supply Chain Development Report (2025) and were showcased at the COP30. Second, the Company contributed to rural revitalization and coordinated regional development. Leveraging its technological and industrial strengths, it explored new models of smart agriculture through the construction of low-altitude intelligent connectivity platforms and developed an Artemisia-based specialty industry chain to boost local employment. Relevant initiatives were included in the Central SOEs Rural Revitalization Blue Book and facilitated agricultural product sales exceeding RMB10 million through consumption-based assistance. In addition, the Company actively implemented national support programs for Xinjiang, ensuring effective delivery of industrial assistance initiatives. Third, the Company continued to enhance transparency and brand influence. It further optimized its ESG management system, with its 2024 ESG Report ranking 17th in the "China Listed Companies ESG Pioneer 100" Index and 10th among central SOEs. The Company also shared best practices at the ESG China Innovation Annual Conference on standardized disclosure, generating a strong demonstration effect.

II. UPHOLDING SCIENTIFIC DECISION-MAKING WITH THE BOARD DELIVERING STRONG PERFORMANCE IN FULFILLING ITS DUTIES

The Board of Directors has taken a balanced and forward-looking approach in managing the three relationships between the present and the future, development promotion and risk prevention, and the development of strategic emerging industries and traditional industries. Guided by a long-term perspective, development-oriented planning, and a focus on supporting strategic emerging industries, the Board has continuously strengthened the Company's endogenous growth momentum and market vitality.

First, adopting a scientific approach to strategy formulation. The "15th Five-Year Plan" period represents a critical stage for China as it embarks on a new journey toward building a modern socialist country. It is also a pivotal phase for CRSC to fulfill its mission, deepen transformation and upgrading, and strengthen the independence and resilience of its industrial chain. The Board of Directors has fully implemented the important directives of General Secretary Xi Jinping on medium- and long-term planning, carefully assessed the execution of the 14th Five-Year Plan, and conducted in-depth research to formulate the 15th Five-Year development strategy. Board members were actively involved throughout the planning process, contributing forward-looking insights based on their diverse expertise and professional strengths. Through frontline research, study visits, and extensive consultations, the Company has developed an overarching "1241" strategic framework and preliminarily established its goal of becoming a "strategic instrument of national importance" in intelligent control systems. Guided by national priorities and leveraging its core strengths, the Company is committed to empowering traditional industries through intelligent technologies, fostering the growth of strategic emerging industries, and reinforcing safeguards for secure development. Focusing on the dual tracks of "rail transit + low-altitude economy," it aims to fully perform the role of a central state-owned enterprise in ensuring security, driving technological innovation, and strengthening industrial control. The Company strives to serve as a "pioneer in three key areas," enhance "five core values," and contribute to improving people's quality of life and ensuring long-term national stability.

Second, adopting a rational approach to decision-making. The Board gave full play to the role of the main body for operating decision-making, faithfully safeguarding the interests of shareholders and the Company. It has adhered to decision-making in compliance with laws and regulations, while continuously improving effectiveness. The Board follows the principles of scientific, democratic, and law-based decision-making, implementing a system of collective deliberation, independent voting, and individual accountability. Strict procedures are observed, including compliance review, deliberation, and voting. All Directors actively participate in thorough discussions, express objective opinions, and strictly implement the voting mechanism. The Company convenes dedicated independent Director meetings to review matters such as daily related party transactions. In 2025, the Company held 7 Board meetings, 12 specialized committee meetings, 1 independent Director meeting, and 2 general meetings. The role of the Board's specialized committees was fully leveraged. The Nomination Committee promptly nominated the Company's first female Director candidate, meeting the diversity requirements of the Hong Kong Stock Exchange. The Strategy and Investment Committee efficiently reviewed matters such as delays and adjustments to fundraising investment projects, with external Directors involved at an early stage of major investment planning. The Quality and Safety Committee convened meetings in a timely manner to review work reports and arrange key tasks accordingly. Focusing on industrial upgrading, the Company strengthened investment-driven growth. Proceeds raised were deployed to support digital and intelligent transformation projects in the rail transit sector. Through equity investments, the Company achieved forward-looking layout, captured market opportunities, consolidated long-term competitive advantages, and promoted the development of strategic emerging industries. At the

same time, the Company enhanced closed-loop management to improve quality and efficiency. It closely monitored the progress of key investment projects, ensured milestone delivery, assessed resource allocation plans and risk control measures, and conducted post-investment evaluations for nine operational investment projects, one equity investment project, and one fixed asset investment project.

Thirdly, strengthening systematic risk prevention. The Board adhered to the dual bottom lines of stabilizing growth and preventing risks. While deepening the adjustment of the industrial layout and structure, it continuously improved the risk management system and endeavored to enhance capabilities in preventing and controlling material risks. Top-level planning and execution were reinforced, and the Board maintained continuous oversight of risk monitoring in municipal and building construction businesses, accelerating the resolution of risks in existing projects through a "one project, one policy" approach. Efforts were made to improve the assessment indicator system and incentive and accountability mechanisms for the reduction and control of the "two funds", with assessment results closely linked to the annual remuneration of responsible persons. Internal control systems were further strengthened. In accordance with the "Four Intelligences" industrial division, the Company systematically reviewed strategic emerging business investments, technology, and operations, and revised the List of Control Authorities and the Headquarters Authority Management Manual, achieving full coverage of business risk points. Penetrative fund supervision was enhanced by leveraging the "Shared Services + Treasury" system to implement penetrative oversight, realizing 100% visibility of bank accounts at all levels. The concentration ratio of funds within the consolidated scope remained stable at above 90%, and eight categories of business scenarios achieved real-time dynamic monitoring, making the Company among the first batch of enterprises under the State-owned Assets Supervision and Administration Commission to implement penetrative supervision.

Fourthly, strengthening rigid supervision. The Board accurately defined its supervisory role, and, centering on production, operation and management, integrated supervisory functions throughout all stages of strategy formulation, decision-making, and risk prevention. In 2025, the Board adhered to the principles of clear delineation of powers and responsibilities, substantive supervision, and efficient decision-making, and systematically revised the Articles of Association, the Terms of Reference of the Audit and Risk Management Committee of the Board, the List of "Three Major and One Large" Decision-making Matters, as well as other supporting corporate governance systems. It completed the reform tasks relating to the Supervisory Committee on schedule, ensuring that the Audit and Risk Management Committee effectively assumed the relevant functions and powers of the Supervisory Committee. Supervision was carried out over the Company's financial information, the lawful and compliant performance of duties by Directors and senior management, the development of risk and compliance management systems, and the effectiveness of internal controls, thereby providing a solid safeguard for the Company's steady and sustainable development.

III. PERSISTING IN IMPROVING GOVERNANCE MECHANISMS AND EFFECTIVELY ENHANCING THE GOVERNANCE EFFICIENCY OF THE BOARD

Firstly, continuously improving the corporate governance system. Efforts were accelerated to establish and improve a corporate governance mechanism characterized by statutory authority and responsibility, transparency of authority and responsibility, coordinated operation, and effective checks and balances. The foundational role of the Articles of Association in corporate governance was strengthened. In accordance with the Company Law, the Securities Law, as well as the latest requirements of state-owned assets and securities regulators, the Company revised the Articles of Association and a series of corporate governance-related systems to ensure clearly defined scopes of responsibilities and standardized procedures for deliberation. The Party Committee played its leadership role in setting direction, managing the overall situation, and ensuring implementation, and conscientiously implemented the requirement for prior review and discussion by the Party Committee on major operation and management matters, with the Board fully considering and incorporating such opinions in its decision-making. The Board performed its functions of determining strategies, making decisions, and preventing risks, and strictly exercised its powers and fulfilled its duties in accordance with laws and regulations, requirements of state-owned assets supervision and securities regulation, and the Articles of Association. The management performed its functions of planning operations, ensuring implementation, and strengthening management, reported its work to the Board, responded to inquiries and questions from Directors, and conducted daily operations in compliance with laws and regulations. The protection of shareholders' rights and interests was strengthened. During general meetings, the "one-click access" reminder service for online voting was utilized to facilitate the participation of minority investors in corporate governance, thereby promoting extensive shareholder engagement. The Company safeguarded the rights of external Directors to information, voting, supervision and proposal, arranged separate meetings between external Directors and auditors, and conducted in-depth and regular communication on matters such as financial reports. External Directors diligently performed their duties, expressed fair and objective opinions at decision-making meetings, and actively safeguarded the interests of the Company and minority shareholders. Independent Directors reported on their performance individually at the annual general meeting and consciously accepted the supervision of shareholders.

Secondly, accelerating the establishment of a scientific, rational and efficient Board. The Company issued the Guiding Opinions of the Group on Promoting Board Development and Enhancing Corporate Governance Standards and the Implementation Measures for Board Diversity and Employee (including Senior Management) Diversity, and continuously improved the Board's working institutional framework. External Directors constituted a majority of the Board, featuring extensive experience, complementary expertise, and a diversified structure. The Board has established five specialized committees, namely the Strategy and Investment Committee, the Remuneration and Evaluation Committee, the Nomination Committee, the Audit and Risk Management Committee, and the Quality and Safety Committee. The Remuneration and

Evaluation Committee and the Audit and Risk Management Committee are composed entirely of external Directors with independent Directors forming a majority, the Nomination Committee has a majority of independent Directors, and external Directors constitute a majority in both the Strategy and Investment Committee and the Quality and Safety Committee. Each specialized committee conducted in-depth and detailed prior studies within its respective domain, assisting the Board in enhancing decision-making efficiency and operational quality. During the year, a total of 12 specialized committee meetings were convened, at which 23 resolutions were considered and approved and 10 reports were heard.

Thirdly, ensuring the performance of duties by external Directors. The Company adhered to achieving "no information gap" in information between internal and external Directors. External Directors participated in major operation and management matters at an early stage from the preparation phase and conducted thorough research and communication. In 2025, six thematic research sessions for external Directors were organized, covering areas such as the development of the "three industries and one ecosystem" of the low-altitude economy, the application of technological achievements and industrial practices related to intelligent rail transit, intelligent operations and intelligent terminal equipment, the integrated transformation of investment, construction and operation of dedicated railway lines, the formulation of the "15th Five-Year Plan", and the completion of the "one profit and five ratios". A total of 12 briefing reports on production and operation information were submitted to external Directors throughout the year. External Directors were actively invited to attend important meetings such as the Company's annual work conference and strategic seminars. The number of matters reported to the Board's specialized committees was increased, including phased results of the formulation of the "15th Five-Year Plan", phased evaluations of the annual investment plan, and significant progress of investment projects. Training and other performance support services for external Directors and independent Directors were organized and completed.

Fourthly, strengthening the boards of subsidiaries. The Company studied and formulated the Guidelines for the Rules of Procedure of the Boards of Subsidiaries and the Implementation Measures for Reporting Work by the Boards and External Directors of Subsidiaries, and dynamically adjusted the list of subsidiaries required to establish boards. It accurately balanced the relationship between strong group control and effective governance of subsidiary boards, strengthened and fully staffed the external Director teams, and effectively leveraged the supervisory role of the boards. Greater efforts were made to select full-time external Directors, with a normalized mechanism to appoint cadres with strong decision-making capabilities and extensive enterprise management experience as full-time external Directors. Professional training for external Directors was enhanced, and full-time external Directors were organized to participate in training programs on modern corporate governance of state-owned enterprises organized by the State-owned Assets Supervision and Administration Commission, thereby continuously improving their capacity to perform duties.

IV. ADHERING TO VALUE CREATION TO EFFECTIVELY SAFEGUARD THE QUALITY OF THE LISTED COMPANY AND INVESTORS' RIGHTS AND INTERESTS

Firstly, establishing a normalized mechanism for market capitalization management. The Company formulated the Market Capitalization Management System and developed relevant plans for quality improvement, efficiency enhancement and shareholder returns as well as market capitalization management. It closely monitored share price fluctuations and changes in the capital market, continuously evaluated specific measures, and, in response to new situations and emerging issues, conducted analysis and judgment on the timing and strategies for implementation, and timely introduced a series of measures to boost investor confidence and maintain the stability of market capitalization.

Secondly, carrying out high-quality information disclosure. The Board earnestly performed the requirements of the Administrative Measures for Information Disclosure of Listed Companies issued by the CSRC and the listing rules of the stock exchanges, and disclosed material events of the Company in a true, accurate, complete, timely and fair manner. The statements in information disclosure adhered to the principles of conciseness, clarity and ease of understanding, with full disclosure of risks, so as to facilitate minority investors in obtaining important information of the Company in a rapid and accurate manner. In 2025, the Company published 93 announcements and disclosure documents on the Shanghai Stock Exchange, and 58 announcements and disclosure documents on the Hong Kong Stock Exchange, proactively conveying the Company's value and enhancing the transparency of the listed company. The Company has received an "A" rating in the information disclosure evaluation of STAR Market-listed companies by the Shanghai Stock Exchange for three consecutive years.

Thirdly, strengthening comprehensive and multi-level investor engagement. The Company organized three results briefings and conducted investor reverse roadshows and investor exchange activities, fully demonstrating CRSC's outstanding technological achievements, innovation capabilities and investment value. In June 2025, CRSC's A shares were included in the constituents of the SSE 180 Index for the first time; the Company continued to be included in multiple indices such as the CSI 300 Index, the Hang Seng Composite Index and the STAR 50 Index, with its corporate influence continuously enhanced.

V. ADHERING TO HIGH-QUALITY DEVELOPMENT AND CLARIFYING THE WORK PRIORITIES FOR 2026

In 2026, aiming at world-class enterprise standards and focusing on the goal of building a scientific, rational and efficient Board, the Board of the Company will lead high-quality corporate development through high-quality governance effectiveness.

Firstly, formulating and implementing the "15th Five-Year" development strategy. The Company will bring the "14th Five-Year Plan" to a high-quality conclusion, scientifically formulate the "15th Five-Year Plan", and improve the three-tier planning system of "1+N+X". In accordance with the "five-value" indicator system, it will further optimize and adjust the industrial layout and structure, and, centering on the overall goal of building a "strategic instrument of national importance" in the field of intelligent control, further expand industrial pathways. It will focus on two major tracks of "rail transit + low-altitude economy", develop four intelligent business segments, namely intelligent rail transit, intelligent low-altitude, smart cities and intelligent operations, and accelerate the development of the intelligent terminal equipment industry.

Secondly, focusing on improving operational mechanisms, the Board operates efficiently and in a standardized manner. The Board will continuously strengthen standardized governance, timely optimize the corporate governance system in accordance with regulatory requirements and actual business operations, and promote more standardized governance practices and a more refined institutional framework. Meanwhile, it prioritizes regular communication with shareholders, the senior management and the Party Committee to align governance consensus and facilitate coordinated and orderly operation of the Board. On this basis, adhering to integrated advancement and top-down implementation, the Company actively extends scientific concepts and practices of Board construction to subsidiary enterprises, and steadily enhances the capacity of subsidiary boards to perform duties in accordance with laws and operate in compliance with regulations.

Thirdly, strengthening the role of the Board to support rational decision-making. Through actively organizing on-site investigations, enhancing supervision over the implementation of resolutions and authorization management, and relying on regular feedback and reporting mechanisms, the Board will effectively perform its supervisory functions. At the same time, it will give full play to the advisory role of each specialized committee, actively support external Directors in the performance of their duties, improve mechanisms for information communication and implementation of opinions, and create favorable conditions for them to perform their roles, thereby systematically enhancing the scientific and effective nature of Board decision-making.

Fourthly, effectively preventing risks and safeguarding the bottom line of corporate development. The Board will resolutely implement the important instructions and directives of General Secretary Xi Jinping on preventing and defusing major risks, adhere to bottom-line thinking, organize the formulation of various risk response measures and contingency plans, and effectively perform its risk prevention function. It will reinforce the chain of safety responsibilities, strive to enhance intrinsic safety levels, optimize safety management models, strengthen supervision and accountability, and firmly safeguard the bottom line of safety and quality. It will resolutely rectify non-compliant operations, further promote penetrating supervision, strictly control risks in engineering business, and make dedicated efforts to clear overdue payments to enterprises, with a pragmatic focus on major operational risks.

Fifthly, strengthening market capitalization management of the listed company and enhancing investors' sense of gain. The Board will adhere to long-termism and, in 2026, focus on enhancing the Company's intrinsic value and market recognition. It will strive to improve development quality and consolidate the foundation of market capitalization management; focus on core businesses to carry out industrial mergers and acquisitions and capital operations, driving external growth and enhancing investment value; comprehensively improve the quality of information disclosure and corporate transparency, and strengthen investor relations management and value communication; pay attention to public opinion and market capitalization monitoring and reinforce expectation guidance; improve the investor return mechanism and maintain stable dividend distribution, so as to effectively enhance investor confidence and sense of gain.

Table of Directors' Remuneration and Benefits for 2025

Unit: Yuan Currency: RMB

Name	Position	(I) Total Pre-tax Remuneration	(II) Social Insurance	(III) Annuity	Total Remuneration and Benefits (Pre-tax) = (I)+(II)+(III)
LOU Qiliang	Executive Director, Chairman of the Board	1,129,492.00	164,737.44	64,184.16	1,358,413.60
YAO Guiqing	Independent Non–executive Director	100,000.00	–	–	100,000.00
YAO Cho Fai Andrew	Independent Non–executive Director	119,004.00	–	–	119,004.00
FU Junyuan	Independent Non–executive Director	80,000.00	–	–	80,000.00
LUO Jing	Employee Director	1,044,800.00	137,542.00	33,500.00	1,215,842.00

Notes:

1. Total pre-tax remuneration includes ordinary compensation paid in the Company for 2025, prior year performance-based encashment and term incentive encashment for 2022–2024, and excludes prior year encashment and term incentive encashment for 2022–2024 paid by other entities;

2. The total pre-tax remuneration of LOU Qiliang includes the daily remuneration paid in the Company from January to December 2025, the prior year performance-based encashment from January to December, and term incentive for the period from September 2023 to December 2024;

3. LUO Jing has served as an employee Director since March 2025, and her total pre-tax remuneration includes the daily remuneration paid in the Company from March to December 2025 and the prior year performance-based encashment from January to December;

4. The total pre-tax remuneration of the resigned Director amounted to RMB225,000.

Rules of Remuneration Management for Directors and Senior Management of China Railway Signal & Communication Corporation Limited

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further improve the governance system of China Railway Signal & Communication Corporation Limited (the "**Company**"), establish and improve the incentive and restraint mechanism for Directors and senior management, and standardize the remuneration management of the Company's Directors and senior management, these rules are formulated in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Standards on Corporate Governance of Listed Companies (上市公司治理準則) and other relevant laws, regulations and normative documents, as well as the provisions of the Articles of Association of China Railway Signal & Communication Corporation Limited (hereinafter referred to as the "**Articles**"), in light of the actual circumstances of the Company.

Article 2 These rules shall apply to the Company's Directors and senior management.

For the purposes of these rules, the term "Directors" refers to all serving members of the Company's Board of Directors during the implementation of these rules. The Company's Directors include executive directors, independent non-executive Directors and other non-executive Directors. An executive Director refers to a Director who holds operational and management positions in the Company. An independent non-executive Director refers to a Director who holds no other position in the Company apart from the directorship (including members of special committees of the Board), and has no direct or indirect material interest relationship with the Company, its substantial shareholders and de facto controllers, or any other relationship that may affect his/her independent and objective judgment, and complies with the independence requirements set out in the securities regulatory rules of the place where the Company's shares are listed. Other non-executive Directors include professional external Directors for central enterprises and employee Directors.

And "senior management" refers to, among others, the president, the vice president, chief accountant, secretary to the Board and general legal advisor appointed by the Board of Directors and other management members decided by the Board of Directors.

Article 3 The remuneration management for the Company's Directors and senior management shall abide by the following principles:

(i) principle of fairness, impartiality and openness: based on post value, performance duties and operating performance, it shall ensure reasonable standards, standardized procedures and impartial results;

(ii) principle of integration of responsibility, power and benefit: the remuneration level shall match job responsibilities, assumed risks and actual contributions;

(iii) performance-oriented principle: remuneration shall be linked with the Company's operating results, individual performance of duties and assessment results to strengthen incentive and restraint mechanisms;

(iv) principle of sustainable development: remuneration management shall be coordinated with the Company's strategic goals, value creation, risk control and sustainable development requirements;

(v) principle of prudence and compliance: remuneration management shall comply with corporate governance requirements, and take into account the Company's development stage, operating conditions, industry standards and risk tolerance.

CHAPTER 2 DIVISION OF DUTIES AND RESPONSIBILITIES

Article 4 The remuneration plan for Directors shall be determined by the shareholders' meeting and disclosed accordingly. The remuneration plan for senior management shall be approved by the Board of Directors, explained to the shareholders' meeting, and disclosed accordingly.

Article 5 The Remuneration and Evaluation Committee of the Company's Board of Directors is responsible for formulating standards for and conducting assessment on Directors and senior management, formulating and reviewing remuneration decision mechanism, decision-making procedures, payment, suspension of payment, clawback and recourse arrangements, and other relevant remuneration policies and plans for Directors and senior management, and making recommendations to the Board of Directors on the following matters:

(i) the remuneration of Directors and senior management;

(ii) the formulation or amendment of equity incentive schemes and employee stock ownership plans, and the fulfillment of conditions for the granting and exercise of rights by the grantees;

(iii) the arrangement of shareholding plans for Directors and senior management for proposed subsidiary spin-off;

(iv) other matters stipulated in laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed, the Articles of Association, and other matters authorized by the Board of Directors.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Evaluation Committee, it shall record the opinion of the Remuneration and Evaluation Committee and the specific reasons for its non-adoption in the resolution of the Board of Directors and disclose the same.

Article 6 Where the Board or the Remuneration and Evaluation Committee evaluates an individual Director or discusses his/her remuneration, that Director shall abstain. Where an individual member of the senior management is evaluated or his/her remuneration is discussed, the relevant personnel shall abstain in accordance with the applicable requirements.

Article 7 Relevant functional departments of the Company, including the Human Resources Department, Finance Department and the Board Office, shall, in accordance with the division of duties and responsibilities, assist the Remuneration and Evaluation Committee in carrying out specific work such as remuneration management, duty-performance evaluation, performance appraisal, information disclosure and remuneration payment for Directors and senior management.

CHAPTER 3 REMUNERATION STANDARDS

Article 8 In respect of remuneration matters subject to implementation in accordance with the results determined or verified by the State-owned Assets Supervision and Administration Commission of the State Council, the Company shall implement such matters in compliance with relevant provisions, and perform the obligations of consideration, explanation and information disclosure in accordance with the law.

Article 9 Corresponding remuneration standards shall be determined by the Company based on the nature of work, as well as the responsibilities and risks assumed by Directors and senior management. The remuneration of the Company's Directors and senior management consists of basic remuneration, performance remuneration and medium and long-term incentive income. In principle, the proportion of performance remuneration shall be no less than 50% of the total amount of basic remuneration and performance remuneration.

(i) Remuneration of members of the Board of Directors:

Executive Directors: their remuneration shall be implemented in accordance with the Company's remuneration management rules, assessment and incentive schemes applicable to their respective positions, and no separate Director's allowance or other remuneration shall be received for their directorship.

Independent non-executive Directors: their remuneration shall consist of basic remuneration, allowances for attending Board meetings and allowances for attending meetings of special committees of the Board.

In particular, the remuneration standards for an independent non-executive Director served by a person-in-charge of a central enterprise leaving his current post shall be implemented in accordance with the Notice on Salary Allowances for External Directors Served by Persons-in-charge of Central Enterprises Leaving Their Current Posts (《關於退出現職的中央企業負責人擔任外部董事發放工資補貼有關事項的通知》) and the Notice on Adjusting the Work Allowances Standards for Retired Persons in Charge of Central Enterprises as External Directors (《關於調整退出現職的中央企業負責人擔任外部董事工作補貼標準的通知》).

Other non-executive Directors: professional external Directors for central enterprises who serve as non-executive Directors shall not receive any remuneration from the Company, unless otherwise approved by the shareholders' meeting.

The remuneration of employee Directors shall be determined in accordance with the employment contracts they have entered into with the Company and the Company's relevant internal regulations, and they shall not receive any separate remuneration for their directorships.

(ii) Remuneration of senior management:

Senior management shall receive remuneration in accordance with the Company's relevant remuneration and performance appraisal management systems based on their specific positions and posts held in the Company.

Article 10 The remuneration of the Company's Directors and senior management shall be aligned with market development, matched with the Company's operating performance and individual performance, and coordinated with the sustainable development of the Company. The Company shall reasonably determine the remuneration of Directors and senior management by taking into account factors such as industry standards, development strategies and post value.

Article 11 The determination and payment of performance remuneration and medium and long-term incentive income for the Company's Directors and senior management shall be based primarily on performance appraisal. The Company shall stipulate that a certain proportion of the performance remuneration of Directors and senior management shall be paid after the disclosure of the annual report and the completion of performance appraisal, and such performance appraisal shall be conducted on the basis of audited financial data.

CHAPTER 4 PAYMENT OF REMUNERATION

Article 12 The remuneration of executive Directors and senior management who receive remuneration from the Company shall be determined in accordance with the internal remuneration management rules of the Company.

Article 13 All remuneration of Directors and senior management of the Company shall be pre-tax amount, and the Company shall deduct (or withhold and remit on behalf of) the following amounts from the remuneration in accordance with relevant regulations of the state and the Company, and the remaining amount will be distributed to the individual.

(i) individual income tax;

(ii) the portions of various social insurance premiums, provident fund and enterprise annuity fund to be borne by individuals;

(iii) other payments to be borne by individuals according to the relevant stipulations of the state or the Company.

Article 14 If a Director or senior management of the Company leaves his/her office due to the expiry of term, re-election, resignation during his/her term of office, change of position or dismissal, the distribution of remuneration and incentive-based income shall be determined on an overall basis according to his/her actual term of office, actual performance and appraisal results.

Article 15 Where Directors and senior management of the Company seriously prejudice the interests of the Company or cause significant financial loss to the Company during their tenure by breaching laws, regulations, normative documents or the rules and regulations of the Company, the Company may propose a resolution to reduce or cancel their remuneration or allowances depending on the extent of their liability and the scale of the loss, and submit it to the Board of Directors or the shareholders' meeting for consideration and approval.

Article 16 Where the Company restates its financial reports retrospectively due to misstatements such as financial fraud, it shall timely re-assess the performance-based remuneration and medium and long-term incentive income of Directors and senior management and recover the corresponding excess amount distributed.

Where any Director or senior management of the Company breaches his/her obligations and causes losses to the Company, or is at fault for illegal or noncompliant acts including financial fraud, fund occupation and provision of guarantees in violation of regulations, the Company shall reduce or suspend the payment of unpaid performance-based remuneration and medium and long-term incentive income according to the seriousness of the circumstances, and recover in full or in part the performance-based remuneration and medium and long-term incentive income that have been paid during the period when such acts occurred.

Article 17 If any of the following circumstances occur during the tenure of a Director or senior management of the Company, the Company may withhold the performance-based remuneration or allowances, and recover in full or in part the performance-based remuneration or allowances that have been paid during the period when such circumstances occurred:

(i) being prohibited from serving as a Director or senior manager of a company as stipulated in Article 178 of the Company Law;

(ii) being subject to administrative penalties imposed by the China Securities Regulatory Commission due to material violations of laws or regulations;

(iii) being publicly condemned or declared as an inappropriate candidate by the stock exchange;

(iv) seriously prejudicing the interests of the Company and causing significant economic losses to the Company;

(v) any other circumstances which, in the opinion of the regulatory authorities, the shareholders' meeting and the Board of Directors of the Company, constitute a serious breach of relevant regulations of the Company.

Article 18 Where the operating performance of the Company has declined significantly, or where it has shifted from a profit to a loss or seen its losses widen, the incentive-based income of Directors and senior management shall be determined with due care, ensuring that it is broadly aligned with the trend in the Company's operating performance. Where the Company has moved from a profit to a loss, or where its loss has increased, compared with the previous financial year, and the average performance-based remuneration of Directors and senior management has not been reduced accordingly, the reasons shall be disclosed. Where no corresponding adjustments are made, the reasons shall be explained during the consideration process, and disclosure obligations shall be fulfilled in accordance with the regulations.

CHAPTER 5 ADJUSTMENT OF REMUNERATION

Article 19 The remuneration structure shall serve the Company's business strategy and be adjusted according to the ever-changing business situation of the Company, so as to cope with the needs of the Company's further development.

The Company shall assess the standards for basic remunerations and performance-based remunerations based on market research data and profitability, and adjust them in line with actual circumstances.

Article 20 Remuneration adjustments for the Directors and senior management of the Company shall be made with reference to or in accordance with the following factors:

(i) the level of salary increases for equivalent positions at comparable companies in the same industry and region;

(ii) inflation levels and the real purchasing power of wages;

(iii) the Company's operating performance;

(iv) adjustments to the Company's development strategy or reorganization of corporate structure;

(v) individual position adjustments or changes in duties.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 21 Any matters not covered by these rules shall be implemented in accordance with the relevant provisions of national laws, regulations, and the relevant requirements of the stock exchange at the place where the Company's shares are listed. In the event of any inconsistency between this system and the relevant provisions of national laws, regulations, and the relevant requirements of the stock exchange at the place where the Company's shares are listed, such provisions of national laws, regulations, requirements of the stock exchange at the place where the Company's shares are listed shall prevail.

Article 22 These rules shall be interpreted by the Board, shall take effect upon approval by the shareholders' meeting, and shall be implemented from the date of promulgation. In the event of any inconsistency between these rules and any previous provisions, these rules shall prevail.