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中國中車股份有限公司
CRRC CORPORATION LIMITED

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

(Stock Code: 1766)

ANNOUNCEMENT ON CONNECTED TRANSACTION CAPITAL CONTRIBUTION TO CRRC ITET

ENTERING INTO THE CAPITAL CONTRIBUTION AGREEMENT

The Board announces that, on 30 October 2026, the Company, CRRC New Investment and CRRC ITET entered into the Capital Contribution Agreement, pursuant to which, the Company agreed to contribute RMB700 million to CRRC ITET, and CRRC New Investment will not participate in the Capital Contribution. Upon completion of the Capital Contribution, the Company and CRRC New Investment will hold 61.3901% and 38.6099% of equity interest in CRRC ITET, respectively, and CRRC ITET will remain a subsidiary of the Company.

IMPLICATIONS OF THE HONG KONG LISTING RULES

As at the date of this announcement, CRRC GROUP is the controlling Shareholder directly holding 51.49% of the shares of the Company, CRRC New Investment is a wholly-owned subsidiary of CRRC GROUP and CRRC ITET is a 30%-controlled company of CRRC GROUP, therefore CRRC New Investment and CRRC ITET are connected persons of the Company under the Hong Kong Listing Rules. Accordingly, the entering into of the Capital Contribution Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined in the Hong Kong Listing Rules) in respect of the transaction contemplated under the Capital Contribution Agreement exceeds 0.1% but is less than 5%, the transaction is subject to reporting and announcement requirements but is exempt from circular and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

1. INTRODUCTION

The Board announces that, on 30 October 2026, the Company, CRRC New Investment and CRRC ITET entered into the Capital Contribution Agreement, pursuant to which, the Company agreed to contribute RMB700 million to CRRC ITET, and CRRC New Investment will not participate in the Capital Contribution. Upon completion of the Capital Contribution, the Company and CRRC New Investment will hold 61.3901% and 38.6099% of equity interest in CRRC ITET, respectively, and CRRC ITET will remain a subsidiary of the Company.

2. CAPITAL CONTRIBUTION AGREEMENT

2.1 Date

30 October 2026

2.2 Parties

(1) the Company;

(2) CRRC New Investment; and

(3) CRRC ITET.

2.3 Capital Contribution Arrangement

Pursuant to the Capital Contribution Agreement, the Company agreed to contribute RMB700 million to CRRC ITET, of which RMB442.505847 million will be credited to the registered capital of CRRC ITET, and RMB257.494153 million will be credited to the capital reserve of CRRC ITET. CRRC New Investment will not participate in the Capital Contribution.

The subscription price for each RMB1 of additional registered capital under the Capital Contribution is RMB1.5819, which was determined after arm's length negotiations among parties with reference to the appraised value of net assets of CRRC ITET as of the Valuation Benchmark Date as set out in the Valuation Report (i.e. RMB2,372.7852 million). The amount of Capital Contribution under the Capital Contribution Agreement was determined after arm's length negotiations among parties, taking into account various factors including the capital requirements and future development plan of CRRC ITET. The proceeds from the Capital Contribution will be used by CRRC ITET to invest in Xiong'an Jingxiong Express Co., Ltd.

The following table sets out the shareholding structure of CRRC ITET before and after the Capital Contribution:

Name of Shareholders	Shareholding structure before the Capital Contribution		Shareholding structure after the Capital Contribution	
	Equity amount	Shareholding ratio	Equity amount	Shareholding ratio
The Company	750,000,000	50%	1,192,505,847	61.3901%
CRRC New Investment	750,000,000	50%	750,000,000	38.6099%
Total	**1,500,000,000**	**100%**	**1,942,505,847**	**100%**

2.4 Payment of Consideration

The total subscription amount under the Capital Contribution Agreement shall be paid in a lump sum by the Company to the bank account designated by CRRC ITET within 10 working days from the effective date of the Capital Contribution Agreement.

2.5 Completion

Upon completion of the Capital Contribution by the Company, CRRC ITET shall complete registration procedures for changes in registered capital in relation to the Capital Contribution with the corresponding market supervision administration authority.

The Company and CRRC New Investment, as the shareholders, shall provide corresponding documents and information as required by CRRC ITET, and actively assist CRRC ITET in completing relevant registration procedures for changes in registered capital.

The Company will be entitled to all shareholders' rights and assume shareholders' obligations under the subscription shares from the date when its capital contribution is credited and CRRC ITET completes the registration procedures for changes with the industrial and commercial department.

2.6 Entering into and effectiveness of the Capital Contribution Agreement

The Capital Contribution Agreement shall take effect from the date when the signature by legal representatives or authorized representatives of all parties and their respective official seals are affixed.

3. INFORMATION ON THE VALUATION

(1) Approach for valuation

The approaches adopted for the preparation of the Valuation Report are the asset-based approach and the income approach. The Valuer is of the view that the asset-based approach and the income approach are the most appropriate valuation approaches for the asset valuation of CRRC ITET, reasons of which are as follows:

The asset-based approach refers to a method based on the balance sheet of an enterprise. It involves assessing each identifiable asset and liability of the appraised enterprise at its fair value and then aggregating such values to arrive at the total value, which is considered to represent the overall market value of the enterprise. The Valuer believes that the assets and liabilities of CRRC ITET as of the Valuation Benchmark Date are clearly defined and can be identified by means of relevant financial information, acquisition and construction information and on-site investigation, and can be valued individually in accordance with the characteristics of each assets and liabilities, the prerequisites for the implementation of the valuation method and other factors, therefore, the asset-based approach is appropriate.

The income approach is a valuation method to determine the value of the subject entity of valuation by capitalizing or discounting its expected income. The Valuer believes that CRRC ITET is an enterprise with a certain level of profitability or one capable of sustainable future economic growth, where expected income can be quantified, the duration of expected income can be predicted, and the risks with expected income closely related to discounting can be predicted. Therefore, the income approach is appropriate for this valuation.

The market approach is a valuation method that estimates the value of an asset by using the recent transaction prices of identical or similar assets in the market, through direct comparison or analogical analysis. The Valuer believes that, since there are currently limited cases of equity transactions involving similar domestic enterprises, or there are cases but the relevant transaction information, such as transaction background and comparable factors are difficult to collect, the impact of comparable factors on enterprise value is difficult to quantify. At the same time, it is difficult to find comparable company information in the capital market which is similar to the assets scale and structure, business scope and profitability of CRRC ITET, therefore, the market approach is not appropriate in this valuation.

(2) **Assumptions of the valuation**

General assumptions

(i) The industry in which the enterprise operates will maintain a stable development trend, and the current national, local laws, regulations, systems, socio-political and economic policies that it follows have not changed significantly;

(ii) The influence of inflation on the valuation result is not considered;

(iii) Interest rates and exchange rates will remain at their current levels without significant changes;

(iv) There will be no significant adverse effects caused by force majeure and other unforeseeable factors.

Special assumptions

(i) There will be no significant change in the cooperation relationship between the appraised enterprise and its partners, and in the mutual benefits derived therefrom;

(ii) The current and the future operators of the appraised enterprise are responsible, their enterprise management can advance its development plan steadily and they will strive to achieve anticipated operational trend;

(iii) The core team of the appraised enterprise will continue to hold positions in the enterprise in future years, and will not be engaged in competing business with the enterprise;

(iv) Contracts and agreements entered into by the appraised enterprise as at the Valuation Benchmark Date will be performed in accordance with their terms;

(v) The appraised enterprise will comply with relevant national laws and regulations. No material breaches will occur that could affect the enterprise's development and realization of profit;

(vi) Accounting policies used in the historical financial information provided by the appraised enterprise are, in material aspects, consistent with the accounting policies and accounting methods used in preparing the revenue forecasts;

(vii) Cash inflow and outflow of the appraised enterprise will be relatively even throughout each year;

(viii) The production and operating premises and equipment leased by the appraised enterprise can be renewed normally and continue operating upon the expiry of the lease term;

(ix) The appraised enterprise will be able to raise necessary funds based on its operational needs, and such financing will not affect normal operations of the enterprises;

(x) The relevant operating licences of the appraised enterprise will be renewed upon expiry in the ordinary course;

(xi) The appraised enterprise obtained the recognition as a high-tech enterprise in 2024, and will enjoy an enterprise income tax at a reduced rate of 15% for 3 years. Given that the current circumstances of the enterprise have been recognized as a high-tech enterprise, and that relevant indicators regarding the enterprise's future profit forecasts satisfy relevant requirements of the high-tech enterprise, it is expected that such benefit will continue in the future. Therefore, the valuation assumes that the high-tech enterprise qualification of the enterprise can remain in existence normally upon expiry, so that the annual enterprise income tax rate will remain 15% in the future.

(3) Valuation conclusion

The value of total equity of shareholders appraised by the asset-based approach is RMB2,372.7852 million, while that appraised by the income approach is RMB2,351.0000 million, with a difference of RMB21.7852 million between both of them.

The main reason for the difference in the valuation results between the asset-based approach and the income approach is that the two valuation methods consider different perspectives. The asset-based approach considers the reacquisition path of assets and reflects the replacement value of the enterprise's existing assets, while the income approach considers from the perspective of the future profit-making ability of an enterprise, thus reflecting the comprehensive profit-making ability of all of its assets.

CRRC ITET is primarily engaged in the construction of rail transit engineering, which is a type of business vulnerable to macroeconomic conditions and relevant industry-specific policies. In recent years, due to the impact of domestic macroeconomic developments, some time is required for stabilization and improvement of the construction industry. During the preparation of the profit forecasts, the management of the appraised unit has considered the impact brought by multiple factors including the macroeconomic situation, market conditions in the construction industry and the appraised unit's own circumstances, and has conducted a prudent analysis and assessment of factors relating to future revenue and operational risks. The aforementioned factors may also affect reliability of the profit forecasts to a certain extent. Given that the appraised values derived from the asset-based approach and the income approach are relatively close, and that the asset-based approach reflects better the true value of the valuation subject, the valuation result based on the asset-based approach has been selected as the final valuation conclusion.

Based on the above analysis, the valuation conclusion of the Valuation Report adopts the valuation results of the asset-based approach, i.e., the valuation conclusion of the value of total equity of shareholders of the appraised entity as of the Valuation Benchmark Date is RMB2,372.7852 million.

(4) Opinions of the Board

The Board has reviewed the relevant information. Having taken into full account the valuation approach adopted by the Valuer and valuation assumptions, the Board believes that the valuation results derived from the asset-based approach can reflect the true value of owners' equity of CRRC ITET, being fair and reasonable.

4. GENERAL INFORMATION ON CRRC ITET

CRRC ITET is a limited liability company incorporated in the PRC on 10 February 2012. As at the date of this announcement, CRRC ITET is a subsidiary of the Company, with each of the Company and CRRC New Investment holding 50% of equity interest in it. The principal business of CRRC ITET is general contracting of urban rail transit construction.

As at 31 March 2026 (the Valuation Benchmark Date), the carrying values of CRRC ITET's total assets and net assets were RMB2,481.7940 million and RMB1,684.2531 million, respectively. According to the Valuation Report issued by Lixin Assets Appraisal, the appraised value of CRRC ITET's net assets after appraisal using the asset-based approach was RMB2,372.7852 million. The primary reason for the appreciation is the appreciation in valuation of long-term equity investments, fixed assets, and intangible assets. Among these, the main reason for the appreciation in valuation of long-term equity investment by RMB685.1375 million is that the carrying value is the enterprise's original investment cost. From the investment date to the Valuation Benchmark Date, the invested enterprise has already achieved a certain profit; Appreciation in valuation of fixed assets by RMB0.1825 million is due to that the depreciation is accelerated, resulting in a low carrying value; intangible assets valuation appreciated by RMB3.2121 million when software is valued at the tax-exclusive selling price at the Valuation Benchmark Date, which is higher than the amortized carrying value of intangible assets. Patents and software copyrights are not capitalized and have no carrying value, resulting in an increase in the appraised value.

According to the China Accounting Standards for Business Enterprises, the net profits of CRRC ITET for the financial years ended 31 December 2024 and 31 December 2025 are set out below:

	For the year ended 31 December 2024 *(RMB0'000)*	**For the year ended 31 December 2025** *(RMB0'000)*
Net profit before taxation and extraordinary items	3,713.98	6,673.01
Net profit after taxation and extraordinary items	4,197.85	5,160.58

5. REASONS FOR AND BENEFITS OF THE TRANSACTION

This transaction can bring relatively significant business growth and economic benefits to CRRC ITET and further enhance the capabilities of urban rail transit system solutions of the Company.

6. GENERAL INFORMATION

The Company

The Company is a joint stock company incorporated in the PRC with limited liability. The Group is a world-leading and diverse rolling stock supplier with advanced technologies. The main scope of business includes: research and development, design, manufacturing, refurbishment, sales, leasing and technical services of railway locomotives, MUs, urban rail transit vehicles, engineering machinery, various electromechanical equipment, electronic equipment and components, as well as electric devices and environmental protection equipment; information consultation; industry investment and management; asset management; import and export businesses.

CRRC New Investment

As at the date of this announcement, CRRC New Investment is a wholly-owned subsidiary of CRRC GROUP. The principal businesses of CRRC New Investment include project investment, investment management, asset management, investment consulting, and engineering management services.

CRRC GROUP

CRRC GROUP is a large-scale wholly state-owned enterprise established with the approval of the State Council of the PRC, and is the controlling Shareholder of the Company. The principal businesses of CRRC GROUP (through the Company) include: research and development, manufacturing, sales, refurbishment and leasing of rolling stock and key components, and the extended business relying on proprietary technologies of rolling stock.

7. IMPLICATIONS OF THE HONG KONG LISTING RULES

As at the date of this announcement, CRRC GROUP is the controlling Shareholder directly holding 51.49% of the shares of the Company, CRRC New Investment is a wholly-owned subsidiary of CRRC GROUP and CRRC ITET is a 30%-controlled company of CRRC GROUP, therefore CRRC New Investment and CRRC ITET are connected persons of the Company under the Hong Kong Listing Rules. Accordingly, the entering into of the Capital Contribution Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined in the Hong Kong Listing Rules) in respect of the transaction contemplated under the Capital Contribution Agreement exceeds 0.1% but is less than 5%, the transaction is subject to reporting and announcement requirements but is exempt from circular and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Three Directors, namely Sun Yongcai, Wang Feng and Wang An, hold positions in CRRC GROUP, have abstained from voting on the Board resolution approving the Capital Contribution Agreement and the transaction contemplated thereunder. Save as stated above, none of the Directors has a material interest in the Capital Contribution Agreement and the transaction contemplated thereunder, and hence no other Directors have abstained from voting on the relevant Board resolution.

All Directors (including all independent non-executive Directors) are of the view that the Capital Contribution Agreement was entered into after negotiation on arm's length basis and on normal commercial terms, the relevant terms are also fair and reasonable and in the interests of the Company and its Shareholders as a whole. However, due to the nature of the transaction, it is not conducted in the usual course of business of the Group.

8. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"30%-controlled company"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"Board"	the board of directors of the Company
"Capital Contribution"	the Company shall contribute RMB700 million to CRRC ITET under the Capital Contribution Agreement
"Capital Contribution Agreement"	the Capital Contribution Agreement of CRRC ITET Co., Ltd. entered into by the Company, CRRC New Investment and CRRC ITET on 30 October 2026
"Company"	CRRC Corporation Limited (中國中車股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares and the A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
"connected person(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"CRRC GROUP"	CRRC GROUP Co., Ltd.* (中國中車集團有限公司), a large-scale wholly state-owned enterprise and the controlling Shareholder of the Company
"CRRC ITET"	CRRC ITET Co., Ltd. (中車智能交通工程技術有限公司), a limited liability company incorporated in the PRC, which is a subsidiary of the Company as at the date of this announcement

"CRRC New Investment"	CRRC New Infrastructure Investment and Development Co., Ltd.* (中車新型基礎設施投資開發有限公司), a limited liability company incorporated in the PRC, which is a wholly-owned subsidiary of CRRC GROUP as at the date of this announcement
"Director(s)"	the director(s) of the Company (including the independent non-executive director(s))
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (as amended from time to time)
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Lixin Assets Appraisal" or "Valuer"	Shanghai Lixin Assets Appraisal Co., Ltd. (上海立信資產評估有限公司), an independent valuation institution
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"Shareholder(s)"	the shareholders of the Company
"Valuation Benchmark Date"	the valuation benchmark date adopted in the Valuation Report, i.e. 31 March 2026
"Valuation Report"	the asset valuation report prepared by Lixin Assets Appraisal based on the asset-based approach

"%"	per cent

By order of the Board
CRRC Corporation Limited
Sun Yongcai
Chairman

Beijing, the PRC
30 October 2026

As at the date of this announcement, the executive directors of the Company are Mr. Sun Yongcai, Mr. Wang Feng and Mr. Wang An; the independent non-executive directors are Mr. Wang Xifeng, Mr. Ngai Ming Tak, Mr. Yang Jiayi and Mr. Zhang Zhenrong; the non-executive director is Mr. Fan Bing; and the employee director is Ms. Yi Ran.