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株洲南车时代电气股份有限公司

ZHUZHOU CSR TIMES ELECTRIC CO., LTD.

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

(Stock Code: 3898)

ANNOUNCEMENT

Reference is made to the announcement dated 1 December 2015 (the “**Announcement**”) issued by Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless defined otherwise.

The Board of the Company would like to announce that Mr. Li has resigned from the positions of the general manager, an executive director and a member of the strategy committee of the Company with effect from 12 January 2016.

Mr. Li has confirmed that he does not have any disagreement with the Board of the Company and that there are no matters relating to his resignation which need to be brought to the attention of the shareholders of the Company.

The Board of the Company is pleased to announce that Mr. Liu Ke'an (“**Mr. Liu**”) has been appointed as an executive director of the Company to fill the vacancy of Mr. Li, and will take over the posts of the general manager and a member of the strategy committee of the Company with effect from 12 January 2016.

Mr. Liu Ke'an, aged 44, has been the vice general manager and chief engineer of the Company since June 2012. Mr. Liu is a director of Dynex Power Inc., a company listed on the TSX Venture Exchange, Toronto, Canada with stock code DNX and a direct subsidiary of the Company. He is also the chairman of the board of directors of Hunan CSR-Wabtec Railway Transportation Technology Co., Ltd. (湖南南車西屋軌道交通技術有限公司), an associate of the Company. Mr. Liu is a professorate senior engineer. He graduated from the Department of Electrical Engineering of Tongji University with a bachelor's degree in Engineering in 1994 and graduated from Zhongnan University of Economics and Law with a master's degree in management in 2008. He joined CRRC Zhuzhou Institute Co., Ltd.* (中車株洲電力機車研究所有限公司), formerly known as CSR Zhuzhou Institute Co., Ltd. (南車株

* For identification purpose only

洲電力機車研究所有限公司), the controlling shareholder of the Company, in August 1994 and had held various positions as engineer, the chief engineer, senior engineer and the chief designer. He has held various positions such as director of the drive technology department of technology centre, director of systems project department of the technology centre, deputy director and director of the technology centre of the Company since September 2005. He was a supervisor representing the employees of the Company from December 2007 to January 2010 and the chief technology officer of the Company from January 2010 to June 2012. He has also served as the general manager of the semi-conductor department of the Company since January 2014.

In accordance with the Articles of Association of the Company, the term of Mr. Liu's directorship commencing on 12 January 2016 will expire at the close of the next annual general meeting of the Company but Mr. Liu will be eligible for re-election as a director at such annual general meeting. The Company has entered into a service contract with Mr. Liu, but Mr. Liu has waived all emoluments payable to him as an executive director of the Company. The remuneration of Mr. Liu as the general manager of the Company will be determined with reference to his duties and responsibilities and prevailing market conditions.

Save as disclosed above and as at the date of this announcement, to the best knowledge and belief of the Board of the Company:

- (a) Mr. Liu does not have any relationship with any other directors, senior management or substantial or controlling shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the Company;
- (b) he does not have any interests in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
- (c) there is no further information in connection with Mr. Liu that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules; and
- (d) the Company is not aware of any other matters in relation to the appointment of Mr. Liu that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its most sincere appreciation to Mr. Li for his valuable and outstanding contribution to the Board and the Company over the years and its welcome to Mr. Liu for joining the Board.

By order of the Board
Zhuzhou CSR Times Electric Co., Ltd.
Ding Rongjun
Chairman

Zhuzhou, China, 12 January 2016

As at the date of this announcement, our chairman of the Board and executive director is Ding Rongjun, our vice chairman of the Board and executive director is Deng Huijin, our other executive directors are Liu Ke'an and Yan Wu, our non-executive director is Ma Yunkun, and our independent non-executive directors are Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing, and Liu Chunru.