



(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3898)

Notice of the First Extraordinary General Meeting of 2007

Notice is hereby given that the First Extraordinary General Meeting of 2007 (“EGM”) of Zhuzhou CSR Times Electric Co., Ltd. (“**Company**”) will be held at Times Hotel, Zhuzhou City, Hunan Province, the People's Republic of China (“**PRC**”) on Monday, 10 September 2007 at 9:00 a.m. to consider and, if thought fit, pass with or without amendments, the following resolutions:

I. As ordinary resolutions

1. To consider and approve the alteration of the legal status of the Company from a joint stock company with limited liability to a foreign investment joint stock company with limited liability;
2. To consider and approve the alteration of the business scope of the Company.

II. As special resolution

3. To consider and approve the proposed amendments to the Articles of Association of the Company.

Please also refer to the announcement of the Company of even date for more detailed information regarding the above resolutions.

By order of the Board
Liao Bin
Chairman

26 July 2007

Notes:

1. The register of members of the Company will be closed from 11 August 2007 to 10 September 2007, both days inclusive, during which period no transfer of shares will be effected. In order to qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company (for holders of H shares) or the registered office address of the Company (for holders of domestic shares) no later than 4:30 p.m. on 10 August 2007.
2. Holders of domestic shares and H shares whose names appear on the register of members of the Company at the close of business on 10 August 2007 are entitled to attend and vote at the EGM and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. A proxy may exercise the right to vote by a show of hands or by poll. However, if more than one proxy is appointed by a shareholder, such proxies shall only exercise the right to vote on a poll.
3. Pursuant to Article 70 of the Articles of Association of the Company, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is demanded by: (i) the chairman of the meeting; (ii) at least two shareholders present in person or by proxy for the time being entitled to vote at the meeting or (iii) any shareholder or shareholders present in person or by proxy and representing one-tenth

or more of the total voting rights of all shareholders having the right to vote at the meeting. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been passed and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

4. Pursuant to rule 13.39(3) of the Listing Rules, the chairman of a meeting and/or directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at a particular meeting shall demand a poll in certain circumstances where, on a show of hands, a meeting votes in the opposite manner to that instructed in those proxies. If a poll is required under such circumstances, the chairman of the meeting should disclose to the meeting the total number of votes represented by all proxies held by directors indicating an opposite vote to the votes cast at the meeting on a show of hands.
5. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited to the H share registrar of the Company (for holders of H shares) or the registered office address of the Company (for holders of domestic shares) not less than 24 hours before the time appointed for holding the EGM.
6. Shareholders or their proxies shall produce their identity documents when attending the meeting.
7. Shareholders who intend to attend the EGM should complete and return the reply slip by hand or by post to the principal place of business of the Company in Hong Kong (for holders of H shares) or to the registered office address of the Company (for holders of domestic shares) on or before 21 August 2007.
8. The address of the H share registrar of the Company is as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

9. The registered office address of the Company is as follows:

Times Road
Shifeng District
Zhuzhou
Hunan Province, 412001
PRC
Tel: 86 733 849 8028

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

Unit 1106 on 11th floor
Jubilee Centre
18 Fenwick Street
Wanchai
Hong Kong
Tel: 2189 7268

11. The EGM is expected to take half a day. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.

As at the date of this announcement, our chairman of the Board and non-executive director is Liao Bin, our executive directors are Ding Rongjun and Lu Penghu, our other non-executive directors are Tian Lei and Ma Yunkun, and our independent non-executive directors are Zhou Heliang, Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing and Tan Xiao'ao.