

Notice of Annual General Meeting

Notice is hereby given that an annual general meeting (“AGM”) of Zhuzhou CSR Times Electric Co., Ltd. (“Company”) for the year 2006 will be held at Times Hotel, Zhuzhou City, Hunan Province, the People’s Republic of China (“PRC”) on Friday, 15 June 2007 at 9:00 a.m. for the following purposes:

I. As ordinary resolutions

1. To consider and approve the report of the board of directors of the Company (“Board”) for the year ended 31 December 2006;
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2006;
3. To consider and approve the audited consolidated financial statements of the Company and its subsidiaries (together, the “Group”) for the year ended 31 December 2006 and the auditors’ reports thereon;
4. To consider and approve the Company’s proposed distribution of profits for the year ended 31 December 2006;
5. To consider and approve the revision of allowances payable to the independent non-executive directors of the Company;
6. To re-appoint the Company’s auditors and to authorise the Board to fix their remuneration.

II. As special resolution

7. To consider and approve the following amendments to the Articles of Association of the Company (“Articles”):
 - i. Delete the word “draft” in the existing title of the Articles;

ii. Delete the entirety of the existing Article 19 of the Articles which provides that:

“After the establishment of the Company and upon approval of the authorised approval departments of the State Council, the Company issued [] H shares (among which [] shares were issued by the Company as new shares and [] domestic shares were offered for sale by the issuers).

The share capital structure of the Company is as follows: The Company has a total of [] issued ordinary shares, including [] shares held by an issuer, [], representing []% of the total share capital; [] shares held by an issuer, [], representing []% of the total share capital; [] shares held by an issuer, [], representing []% of the total share capital; [] shares held by an issuer, [], representing []% of the total share capital; [] shares held by an issuer, [], representing []% of the total share capital; [] overseas listed foreign-invested shares, representing []% of the total share capital.”

and replace it with the following:

“After the establishment of the Company and upon approval of the authorised approval departments of the State Council, the Company issued 456,108,400 H shares (among which 414,644,000 shares were issued by the Company as new shares and 41,464,400 domestic shares were offered for sale by the promoters).

The share capital structure of the Company is as follows: The Company has a total of 1,084,255,637 issued ordinary shares, including 589,585,699 shares held by a promoter, CSR Zhuzhou Electric Locomotive Research Institute, representing approximately 54.377% of the total share capital; 10,000,000 shares held by a promoter, CSR Zhuzhou Electric Locomotive Company, Ltd., representing approximately 0.922% of the total share capital; 9,800,000 shares held by a promoter, China Railway Large Maintenance Machinery Co., Kunming, representing approximately 0.904% of the total share capital; 9,380,769 shares held by a promoter, CSR Qishuyan Locomotive & Rolling Stock Works, representing approximately 0.865% of the total share capital; 9,380,769 shares held by a promoter, New Leap Communication Equipment Invest Development Co., Ltd., representing approximately 0.865% of the total share capital; 456,108,400 overseas listed foreign-invested H shares, representing approximately 42.067% of the total share capital.”

iii. Delete the entirety of the existing Article 22 of the Articles which provides that:

“The registered capital of the Company is RMB[].”

and replace it with the following:

“The registered capital of the Company is RMB1,084,255,637.”

By order of the Board

Liao Bin

Chairman

27 April 2007

Notes:

1. The register of members of the Company will be closed from 16 May 2007 to 15 June 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify to attend and vote at the AGM, 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 15 May 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 15 May 2007 are entitled to attend and vote at the AGM and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a 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 AGM.
6. Shareholders or their proxies shall produce their identity documents when attending the meeting.

7. Shareholders who intend to attend the AGM 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 25 May 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 AGM is expected to take one day. Shareholders attending the AGM 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.

Please also refer to the published version of this notice in The Standard.