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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** or transferred all your shares in Zhuzhou CSR Times Electric Co., Ltd., you should at once hand this circular together with the accompanying form of proxy and reply slip to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

(Stock Code: 3898)

**PROPOSALS FOR AMENDMENTS TO ARTICLES OF ASSOCIATION,  
RE-ELECTION OF RETIRING DIRECTORS, ELECTION OF DIRECTOR,  
RE-ELECTION OF RETIRING SUPERVISOR, ELECTION OF SUPERVISORS  
AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting for the year 2007 of Zhuzhou CSR Times Electric Co., Ltd. is set out on pages 15 to 20 of this circular. Whether or not you intend to attend the AGM, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible but in any event not less than 24 hours before the time fixed for holding the AGM or the adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof if you so wish.

If you intend to attend the AGM in person or by proxy, you should also complete and return the accompanying reply slip in accordance with the instructions printed thereon on or before Friday, 6 June 2008.

30th April, 2008

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## DEFINITIONS

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

“AGM”	the annual general meeting for the year 2007 of the Company
“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“PRC” or “China”	the People’s Republic of China
“Company”	Zhuzhou CSR Times Electric Co., Ltd. a joint stock company incorporated in PRC with limited liability
“Domestic Share(s)”	domestic share(s) of RMB1.00 each in the share capital of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Stock Exchange and traded in Hong Kong dollars
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Parent Group”	ZELRI and its subsidiaries (excluding the Group)
“RMB”	Renminbi, the lawful currency of PRC
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	Domestic Share(s) and/or H Share(s)
“Shareholder(s)”	the holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Times New Materials”	株洲時代新材科技股份有限公司 (Zhuzhou Times New Materials Technology Co., Ltd.), a company listed on the Shanghai Stock Exchange
“ZELRI”	南車株洲電力機車研究所有限公司 (CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd.), formerly known as 中國南車集團株洲電力機車研究所 (CSR Zhuzhou Electric Locomotive Research Institute)

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## LETTER FROM THE BOARD

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

(Stock Code: 3898)

*Executive Directors:*

Mr. Ding Rongjun — Chairman

Mr. Lu Penghu — President

*Non-Executive Directors:*

Mr. Song Yali — Vice Chairman

Mr. Liao Bin

Mr. Ma Yunkun

*Independent Non-Executive Directors:*

Mr. Zhou Heliang

Mr. Gao Yucai

Mr. Chan Kam Wing, Clement

Mr. Pao Ping Wing

Mr. Tan Xiao'ao

Registered Office:

Times Road

Shifeng District

Zhuzhou

Hunan Province, 412001

PRC

*Principal Place of*

*Business in Hong Kong:*

Unit 1106, 11th Floor

Jubilee Centre

18 Fenwick Street

Wanchai

Hong Kong

30th April, 2008

*To the Shareholders*

Dear Sir/Madam,

**PROPOSALS FOR AMENDMENTS TO ARTICLES OF ASSOCIATION,  
RE-ELECTION OF RETIRING DIRECTORS, ELECTION OF DIRECTOR,  
RE-ELECTION OF RETIRING SUPERVISOR, ELECTION OF  
SUPERVISORS AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to give you the notice of the AGM and to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the special resolution for the amendments to the Articles, and ordinary resolutions for the re-election of the retiring Directors, election of Director, re-election of the retiring Supervisor and election of Supervisors which will be proposed, among other resolutions, at the AGM to be held on Friday, 27 June, 2008.

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## **LETTER FROM THE BOARD**

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### **AMENDMENTS TO THE ARTICLES**

Pursuant to the Rules Governing Registration Numbers issued by the State Administration for Industry and Commerce for the purpose of unifying the principal registration number of various types of business in the PRC, the Company's business licence registration number was amended. Name of certain promoters of the Company have also been changed. To reflect these changes in the Company's constitution which are in compliance with the regulations of the relevant regulatory bodies and to be more precise regarding the composition of the Board as laid down in the Articles, the Board proposes to amend the Articles in the manner as stipulated in the notice of the AGM set out in Appendix III of this circular.

### **PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

Pursuant to the Articles, Messrs. Ding Rongjun, Song Yali, Lu Penghu, Liao Bin, Ma Yunkun, Zhou Heliang, Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing and Tan Xiao'ao shall retire as Directors at the conclusion of the AGM and are eligible for re-election thereat. Except for Mr. Zhou Heliang who, due to his age, will not seek for re-election, all the retiring Directors offer themselves for re-election at the AGM.

The Board confirms that there are no disagreements with Mr. Zhou and there is no matter in relation to his retirement that needs to be brought to the attention of the Shareholders.

The biographical details of the above retiring Directors offering for re-election at the AGM as required by the Listing Rules are set out in Appendix I of this circular.

### **PROPOSED ELECTION OF DIRECTOR**

Pursuant to the Articles, the Board shall comprise 10 directors. Subsequent to the retirement of Mr. Zhou Heliang as an Independent Non-Executive Director, the Board proposes that Miss Liu Chunru be elected as an Independent Non-Executive Director subject to the approval of the Shareholders at the AGM.

The biographical details of Miss Liu Chunru as required by the Listing Rules are set out in Appendix I of this circular.

### **PROPOSED RE-ELECTION OF RETIRING SUPERVISOR**

Pursuant to the Articles, Mr. Zhang Liqiang shall retire as a Supervisor at the conclusion of the AGM and, being eligible, offers himself for re-election thereat.

The biographical details of Mr. Zhang Liqiang as required by the Listing Rules are set out in Appendix II of this circular.

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## LETTER FROM THE BOARD

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### PROPOSED ELECTION OF SUPERVISORS

Pursuant to the Articles, the Supervisory Committee shall comprise 5 Supervisors. As the Company currently have 3 Supervisors, the Board proposes that Mr. Shuai Tianlong and Miss Wang Kun be elected as independent Supervisors subject to the approval of the Shareholders at the AGM.

The biographical details of the above proposed independent Supervisors as required by the Listing Rules are set out in Appendix II of this circular.

### THE AGM

Notice of the AGM to be held at Times Hotel, Zhuzhou City, Hunan Province, China, on Friday, 27 June 2008 at 9:00 a.m. is set out in Appendix III of this circular.

The register of members of the Company will be closed from Wednesday, 28 May 2008 to Friday, 27 June 2008, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend and to qualify as Shareholders to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged, for holders of H Shares, with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or, for holders of Domestic Shares, the registered office address of the Company at Times Road, Shifeng District, Zhuzhou, Hunan Province, 412001, PRC no later than 4:30 p.m. on Tuesday, 27 May 2008.

A proxy form for appointing proxy is despatched with this circular and published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)). Whether or not you intend to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time appointed for holding the AGM or the adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjournment thereof if you so wish.

If you intend to attend the Meeting in person or by proxy, you should also complete and return the accompanying reply slip in accordance with the instructions printed thereon on or before Friday, 6 June 2008.

### PROCEDURE FOR DEMANDING A POLL

Pursuant to article 70 of the Articles, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or after any voting on a 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 and entitled to vote at the meeting; or (iii) any shareholder or shareholders present in person or by proxy and representing 10% or more of all shares of the Company carrying the right to vote at the meeting.

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## LETTER FROM THE BOARD

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Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has on a show of hands been carried and an entry to that effect made in the minutes of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

### RECOMMENDATION

The Board considers that the proposed resolutions mentioned above are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

Yours faithfully,  
For and on behalf of the Board  
**Ding Rongjun**  
*Chairman*

**1. Ding Rongjun**

Ding Rongjun, aged 47, was appointed as an executive Director and president of the Company in September 2005, and the chairman of the Board in December 2007. He resigned as the president of the Company and joined ZELRI as the secretary of the Party and deputy director in December 2007. Mr. Ding joined ZELRI in August 1984 and held the positions of deputy director and project manager of the scientific research division of ZELRI from 1999 to 2000, and the positions of deputy director, deputy chief engineer and chief engineer of ZELRI between 2000 and 2005. Mr. Ding graduated from Southwest Jiaotong University with a bachelor degree in 1984 and from Changsha Railway Institute with a master degree in 1996. He has been the secretary of the Party and vice general manager of ZELRI since January 2008.

Save as disclosed above, Mr. Ding does not have any other relationship with any director, senior management, or substantial or controlling shareholders of the Company or the Group nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Ding has entered into a service contract with the Company for a term of three years commencing from December 2006. Mr. Ding will retire and offer for re-election at the AGM. Upon his re-election as an executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive an annual remuneration as an executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's remuneration for the financial year 2007 was approximately RMB592,000. Thereafter, his director's remuneration is subject to revision by the Board and the Shareholders in general meeting.

**2. Song Yali**

Song Yali, aged 55, was appointed as the vice chairman of the Board and non-executive Director in December 2007. Mr. Song is a senior economist. He joined ZELRI in January 1983 and has held the positions of supervisor of the production control room, deputy supervisor of the trial production department, head of the production operations department and chairman of the labour union. Mr. Song has been a director of Times New Materials since April 2005, and the chairman of the board of directors of Times New Materials between April 2005 to March 2008. Mr. Song was the deputy director of ZELRI from November 2005 to January 2008. He has been a vice general manager of ZELRI since January 2008. Mr. Song graduated from the Party School of the Central Committee with major in Economic Management in 1998.

Save as disclosed above, Mr. Song does not have any other relationship with any director, senior management, or substantial or controlling shareholders of the Company or the Group nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Song has entered into a service contract with the Company commencing from December 2007 until the conclusion of the AGM. Upon his re-election as a non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive a director's fee as a non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB69,375, which is subject to revision by the Shareholders in general meeting.

### **3. Lu Penghu**

Lu Penghu, aged 42, was appointed as an executive Director in November 2006 and the president of the Company in December 2007. He is also the joint company secretary of the Company. Mr. Lu joined the Parent Group in November 1990 and has held the positions of deputy director of POB Factory, director of the general office and director of planning and development department of ZELRI. Mr. Lu graduated from Lanzhou University in 1989 with major in Journalism. He obtained a bachelor degree in Law from Xiangtan University in 2001, and a master degree in Software Engineering from Wuhan University in 2005. Mr. Lu was the chief administration officer and secretary of the Board and the chairman of the labour union of the Company from September 2005 to December 2007. He served as the Party secretary of the Company from January to December 2007.

Save as disclosed above, Mr. Lu does not have any other relationship with any director, senior management, or substantial or controlling shareholders of the Company or the Group nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Lu has entered into a service contract with the Company for a term of three years commencing from December 2006. Mr. Lu will retire and offer for re-election at the AGM. Upon his re-election as an executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive an annual remuneration as an executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's remuneration for the financial year 2007 was approximately RMB476,000. Thereafter, his director's remuneration is subject to revision by the Board and the Shareholders in general meeting.

### **4. Liao Bin**

Liao Bin, aged 45, was appointed as the chairman of the Board and an executive Director in September 2005 and was re-designated as the chairman of the Board and a non-executive Director of the Company in November 2006. Mr. Liao resigned as the chairman of the Board in December 2007. Mr. Liao joined ZELRI in August 1983 and has held the positions of general manager of Zhuzhou

Times Rubber & Plastics Co. Ltd. from 1998 to 2000, deputy director of ZELRI and general manager of New Materials from 2000 to 2001, deputy director of ZELRI and chairman of the board of directors of Times New Materials from 2001 to 2004, and director of ZELRI from 2004 to January 2008. Mr. Liao has been an executive director and general manager and vice secretary of the Party of ZELRI since January 2008. Mr. Liao is also a director of Times New Materials. Mr. Liao graduated from South China University of Science and Engineering with a bachelor degree in 1983 and completed his master degree in Business Administration at the Institute of Commerce of Hunan University in 1996.

Save as disclosed above, Mr. Liao does not have any other relationship with any director, senior management, or substantial or controlling shareholders of the Company or the Group nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Liao has entered into a service contract with the Company for a term of three years commencing from December 2006. Mr. Liao will retire and offer for re-election at the AGM. Upon his re-election as a non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive a director's fee as a non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB57,063, which is subject to revision by the Shareholders in general meeting.

#### **5. Ma Yunkun**

Ma Yunkun, aged 54, was appointed as a non-executive Director in September 2005. Mr. Ma has more than ten years of experience in business management and is the chairman of the board of directors and general manager of Kunming China Railway since 2004. Mr. Ma has been the deputy director of Kunming Machine Factory from 1994 to 2003 and the deputy chairman of the board of directors and general manager of Kunming China Railway from 2003 to 2004.

Mr. Ma does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Ma has entered into a service contract with the Company for a term of three years commencing from December 2006. Mr. Ma will retire and offer for re-election at the AGM. Upon his re-election as a non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to

receive a director's fee as a non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB52,828, which is subject to revision by the Shareholders in general meeting.

**6. Gao Yucai**

Gao Yucai, aged 67, was appointed as an independent non-executive Director in November 2006. Mr. Gao is a senior engineer and has more than 20 years of experience in the urban rail transportation industry. Mr. Gao was the deputy director of the Beijing Public Utility Bureau from 1983 to 1990 and general manager of Beijing Metro Corporation from 1990 to 2001. Mr. Gao is a commissioner of the China Communication and Transportation Association ("CCTA") and deputy director of the urban rail transportation committee of CCTA. Mr. Gao graduated from the PLA Engineering Academy (one of the predecessors of PLA University of Science and Technology) in 1966.

Mr. Gao does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Gao has entered into a service contract with the Company commencing from December 2006 until the conclusion of the AGM. Upon his re-election as an independent non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive a director's fee as an independent non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB64,588, which is subject to revision by the Shareholders in general meeting.

**7. Chan Kam Wing, Clement**

Chan Kam Wing, Clement, aged 50, was appointed as an independent non-executive Director in September 2005. Mr. Chan is a certified public accountant in Hong Kong, a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. Mr. Chan possesses the appropriate financial management expertise as required by the Listing Rules. Mr. Chan has been the Asia Pacific regional director of Horwath International and the managing director of Horwath Hong Kong CPA Limited since 1996. Prior to that, Mr. Chan operated his own accounting firm, Mr. Chan was appointed as a member of the auditing team of Beijing 2008 Olympics Organising Committee in 2003. Mr. Chan graduated from City University of London with a bachelor degree in Accounting and a master degree in Commerce from the University of New South Wales.

Mr. Chan does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Chan has entered into a service contract with the Company commencing from December 2006 until the conclusion of the AGM. Upon his re-election as an independent non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive a director's fee as an independent non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB204,975, which is subject to revision by the Shareholders in general meeting.

#### **8. Pao Ping Wing**

Pao Ping Wing, aged 60, was appointed as an independent non-executive Director in September 2005. Mr. Pao was a Fellow of the Hong Kong Institute of Directors. Mr Pao is an independent non-executive director of Oriental Press Group Limited, UDL Holdings Limited, Sing Lee Software Limited and Hembly International Holdings Limited, and also the deputy chairman of Biomax Environment Holdings Limited. Mr. Pao was appointed as a Justice of Peace since 1987. Mr. Pao was appointed by the Government of the Hong Kong Special Administrative Region as a member of the Town Planning Board, the Advisory Council on the Environment, the Hong Kong Housing Authority and the Land Development Corporation. Mr. Pao obtained a master degree in Science of Human Settlement Planning and Development.

Mr. Pao does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any position in the Company or the Group. Save as disclosed above, he does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Pao has entered into a service contract with the Company commencing from December 2006 until the conclusion of the AGM. Upon his re-election as an independent non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive a director's fee as an independent non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB204,975, which is subject to revision by the Shareholders in general meeting.

**9. Tan Xiao'ao**

Tan Xiao'ao, aged 44, was appointed as an independent non-executive Director in June 2006. Mr. Tan has been a practising lawyer in China since 1989 and a professor of law at the law faculty of the Central South University and Hunan University since 2003. Mr. Tan was director of the Jiaoyang Law Office from 1996 to 2002, the legal counsel of Hunan Taizinai Group from 2003 to 2004, deputy chairman of the board of directors, director and general manager of Hunan Taizinai Group Bio-tech Company Limited since 2004. Mr. Tan graduated from Zhongshan University with a bachelor degree in Law in 1987 and a master degree in Executive Master in Business Administration from Tsinghua University in 2006.

Mr. Tan does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Tan has entered into a service contract with the Company commencing from December 2006 until the conclusion of the AGM. Upon his re-election as an independent non-executive Director at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive a director's fee as an independent non-executive Director which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual director's fee will be approximately RMB64,588, which is subject to revision by the Shareholders in general meeting.

**10. Liu Chunru**

Miss Liu Chunru, aged 37, is a Certified Asset Valuer. She was the vice president of Beijing China Enterprise Appraisal Co., Ltd. and has been a deputy general manager of Zhongfa International Appraisal Co., Ltd. since 2003. Miss Liu graduated from Chongqing University with a bachelor degree in Engineering in 1994. Miss Liu was a Supervisor from September 2005 to April 2008. Miss Liu does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does she hold any position in the Company or the Group. She does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Upon elected, Miss Liu will enter into a service contract with the Company for a term of three years or for such shorter period as may be decided at the AGM which shall continue until determined by either party giving three months' prior written notice. The proposed annual director's fee for her appointment as an independent non-executive Director will be approximately RMB64,588, which is determined on the basis of her experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the current market situation and is subject to revision by the Shareholders in general meeting.

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**APPENDIX I****BIOGRAPHICAL DETAILS OF DIRECTORS  
PROPOSED FOR RE-ELECTION AND ELECTION**

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There is no information which is discloseable by the above nor is/was any of them involved in any matter required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matters concerning the above that need to be brought to the attention of the Shareholders.

**1. Zhang Liqiang**

Zhang Liqiang, aged 45, was appointed as a Supervisor and the chairman of the Supervisory Committee in September 2005. Mr. Zhang is a senior accountant and joined the Parent Group in May 2005. Mr. Zhang was the chief accountant of ZELRI from May 2005 to January 2008. He has been a vice general manager and the chief financial officer of ZELRI since January 2008. Mr. Zhang was the deputy director and the director of accounting department and the director of the audit department in CSR Zhuzhou Electric Locomotive Works from 1996 to 2005. Mr. Zhang graduated from Hubei Finance and Economics Institute with a bachelor degree in Financial Accounting in 1983.

Save as disclosed above, Mr. Zhang does not have any other relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Zhang has entered into a service contract with the Company for a term of three years commencing from December 2006. Mr. Zhang will retire and offer for re-election at the AGM. Upon his re-election as a Supervisor at the AGM, the subsisting service contract shall remain valid. Each term for re-election will be for three years or for such shorter period as may be decided at the AGM until determined by either party giving three months' prior written notice. He is entitled to receive an annual remuneration as Supervisor which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation. His annual supervisor's remuneration will be approximately RMB45,303, which is subject to revision by the Shareholders in general meeting.

**2. Shuai Tianlong**

Mr. Shuai Tianlong, aged 42, is a practising lawyer in China. From September 1992 to September 1995, Mr. Shuai was a lecturer at the School of Political Science and Law of the Hebei Normal University. From July 1995 to July 1999, he served as the consultant at Deputy Director level in the Central Commission for Disciplinary Inspection of the Communist Party of China and the Ministry of Supervision of China. From 1999 to date, he works for Jingtian & Gongcheng in Beijing and is currently one of its partners. Mr. Shuai graduated from the Peking University in July 1987, July 1990 and July 1995 respectively with Bachelor of Laws, Master of Laws and Doctor of Laws degrees.

Mr. Shuai does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does he hold any other position in the Company or the Group. He does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Upon elected, Mr. Shuai will enter into a service contract with the Company for a term of three years or for such shorter period as may be decided at the AGM which shall continue until determined by either party giving three months' prior written notice. The proposed annual fee for his appointment as an independent Supervisor will be approximately RMB64,588, which is determined on the basis of his experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation and subject to revision by the Shareholders in general meeting.

### 3. **Wang Kun**

Miss Wang Kun, aged 32, has been a lecturer at the Department of Accountancy of Economics and Management of the Tsinghua University since 2003. Miss Wang graduated from the Department of Accountancy of Nankai University in July 1998 with a bachelor's degree in Management Studies. She graduated from the Department of Accountancy of the School of Business and Management of Hong Kong University of Science and Technology in January 2003 with a doctorate degree in Accountancy.

Miss Wang does not have any relationship with any director, senior management, or substantial or controlling shareholders of the Company nor does she hold any other position in the Company or the Group. She does not at present, nor in the past three years, hold any directorship in any other listed public company in Hong Kong and does not have any interest in the Shares within the meaning of Part XV of the SFO.

Miss Wang will enter into a service contract with the Company for a term of three years or for such shorter period as may be decided at the AGM which shall continue until determined by either party giving three months' prior written notice. The proposed annual fee for her appointment as an independent Supervisor will be approximately RMB64,588, which is determined on the basis of her experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the market situation and subject to revision by the Shareholders in general meeting.

There is no information which is discloseable by the above nor is/was any of the them involved in any matter required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matters concerning the above that need to be brought to the attention of the Shareholders.



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

(Stock Code: 3898)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“AGM”) of Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”) for the year 2007 will be held at Times Hotel, Zhuzhou City, Hunan Province, China, on Friday, 27 June 2008 at 9:00 a.m. for the following purposes:

### **As ordinary resolutions**

1. To consider and approve the report of the board of directors of the Company (“the **Board**”) for the year ended 31 December 2007.
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2007.
3. To consider and approve the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2007 and the auditors’ report thereon.
4. To consider and approve the proposed profits distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2007 and to authorise the Board to distribute such final dividend to the shareholders of the Company.
5. To consider and approve the re-appointment of the retiring auditors as the auditors of the Company until the conclusion of the next annual general meeting of the Company and to authorise the Board to fix their remuneration.
6. To consider and approve the allowances payable to the directors and supervisors of the Company.
7. To consider and approve the following election or re-election of directors and their emoluments:
  - i) the re-election of Mr. Ding Rongjun as an executive director of the Company;
  - ii) the re-election of Mr. Song Yali as a non-executive director of the Company;
  - iii) the re-election of Mr. Lu Penghu as an executive director of the Company;
  - iv) the re-election of Mr. Liao Bin as a non-executive director of the Company;
  - v) the re-election of Mr. Ma Yunkun as a non-executive director of the Company;

- vi) the re-election of Mr. Gao Yucai as an independent non-executive director of the Company;
  - vii) the re-election of Mr. Chan Kam Wing, Clement as an independent non-executive director of the Company;
  - viii) the re-election of Mr. Pao Ping Wing as an independent non-executive director of the Company;
  - ix) the re-election of Mr. Tan Xiao'ao as an independent non-executive director of the Company;
  - x) the election of Miss Liu Chunru as an independent non-executive director of the Company;
  - xi) to consider and approve the emoluments of the directors so re-elected and elected.
8. To consider and approve the following re-election and election of supervisors and their emoluments:
- i) the re-election of Mr. Zhang Liqiang as a supervisor of the Company;
  - ii) the election of Mr. Shuai Tianlong as an independent supervisor of the Company;
  - iii) the election of Miss Wang Kun as an independent supervisor of the Company;
  - iv) to consider and approve the emoluments of the supervisors so re-elected and elected.

**As special resolution**

9. To consider and, if thought fit, pass with or without modifications, the following amendments to the Articles of Association of the Company:

“THAT the Articles of Association of the Company (the “**Articles**”) be and are hereby amended in the following manners:

- i) by amending the Company’s business licence registration number as stated in the second paragraph of Article 1 to ‘430000000009725’;
- ii) by deleting the details of promoters in Article 1 in its entirety and substituting therefor the following:

‘The promoters of the Company are:

Promotor 1 : 南車株洲電力機車研究所有限公司  
CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd.

- Promotor 2 : 南車株洲電力機車有限公司  
CSR Zhuzhou Electric Locomotive Co., Ltd.
- Promotor 3 : 中國南車集團戚墅堰機車車輛廠  
CSR Qishuyan Locomotive & Rolling Stock Works
- Promotor 4 : 新力搏交通裝備投資租賃有限公司  
New Leap Transportation Equipment Investment & Leasing Co., Ltd.
- Promotor 5 : 昆明中鐵大型養路機械集團有限公司  
China Railway Large Maintenance Machinery Co. Ltd., Kunming'

- iii) by deleting the corporate names of “中國南車集團株洲電力機車研究所 CSR Zhuzhou Electric Locomotive Research Institute”, “中國南車集團株洲電力機車有限公司 CSR Zhuzhou Electric Locomotive Company, Ltd.” and “新力搏交通裝備投資發展有限公司 New Leap Communication Equipment Investment Development Co., Ltd.” as they appeared in Article 19 and substituting therefor “南車株洲電力機車研究所有限公司 CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd.”, “南車株洲電力機車有限公司 CSR Zhuzhou Electric Locomotive Co., Ltd.” and “新力搏交通裝備投資租賃有限公司 New Leap Transportation Equipment Investment & Leasing Co., Ltd.” respectively;
- iv) by deleting the first paragraph of existing Article 92 in its entirety and substituting therefor the following new first paragraph:

‘The Company shall establish a board of directors consisting of ten directors, of which there shall be a Chairman, a vice-chairman and eight directors. There shall be at least three independent non-executive directors.’”

By Order of the Board  
**Ding Rongjun**  
Chairman

Zhuzhou, China, 30 April, 2008

*Notes:*

1. For details of Articles 1, 19 and 92 of the Articles, please refer to Note 12 hereinbelow.
2. 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 after any voting on a 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 and entitled to vote at the meeting; or (iii) any shareholder or shareholders present in person or by proxy and representing 10% or more of all shares of the Company carrying the right to vote at the meeting. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has on a show of hands been carried and an entry to that effect made in the minutes of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

3. In accordance with the Company's articles of association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, to attend and exercise all the voting powers attached to such share at the AGM, and the service of this notice to that person shall be deemed to have served on all joint holders of such share.
4. The register of members of the Company will be closed from Wednesday, 28 May 2008 to Friday, 27 June 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and to qualify as shareholders to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged, for holders of H shares, with the H share registrar of the Company or, for holders of domestic shares the registered office address of the Company no later than 4:30 p.m. on Tuesday, 27 May 2008.
5. Holders of H shares and domestic shares whose names appear on the register of members of the Company at the close of business on Tuesday, 27 May 2008 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 shareholder of the Company. A proxy may exercise the right to vote on a show of hands or by way of poll. However, if more than one proxy is appointed by a shareholder, such proxies shall only exercise the right to vote on a poll.
6. 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 such power of attorney or other authority, must be deposited, for holder of H shares, to the H share registrar of the Company or, for holders of domestic shares, the registered office address of the Company not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof.
7. Shareholders who intend to attend the AGM in person or by proxy should complete and return the attached reply slip by hand or by post, for holders of H shares, to the principal place of business of the Company in Hong Kong or, for holders of domestic shares, to the registered office address of the Company on or before Friday, 6 June 2008.
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, 11th Floor  
Jubilee Centre  
18 Fenwick Street  
Wanchai  
Hong Kong  
Tel : 2189 7268

11. The AGM is expected to take half a day. Shareholders or their proxies attending the AGM shall be responsible for their own transportation and accommodation expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the AGM.

12. i. **Article 1 of Articles**

Our company (or the “Company”) is a joint stock limited company incorporated in the People’s Republic of China (“the PRC”) in accordance with “The Company Law of the People’s Republic of China” (the “Company Law”), “The Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (the “Special Regulations”) and other relevant laws and administrative regulations of the State.

The Company was established by way of promotion pursuant to the approval granted by the State-Owned Assets Supervision and Administration Commission of the State Council in the approval reply, Gui Zi Gai Ge [2005] No. 1095, and was registered with the Hunan Provincial Administration for Industry and Commerce on 26 September 2005 and obtained its business licence. The business registration number of the Company’s business licence is 4300001006134.

The Promoters of the Company are:

Promoter 1:	中國南車集團株洲電力機車研究所 CSR Zhuzhou Electric Locomotive Research Institute
Statutory representative:	Liao Bin
Statutory address:	Tianxin, Zhuzhou City, Hunan Province
Promoter 2:	中國南車集團株洲電力機車有限公司 CSR Zhuzhou Electric Locomotive Company, Ltd.
Statutory representative:	Li Zhixuan
Statutory address:	Tianxin, Zhuzhou City, Hunan Province
Promoter 3:	中國南車集團戚墅堰機車車輛廠 CSR Qishuyan Locomotive & Rolling Stock Works
Statutory representative:	Gu Mingkang
Statutory address:	Qishuyan, Changzhou City, Jiangsu Province
Promoter 4:	新力搏交通裝備投資發展有限公司 New Leap Communication Equipment Investment Development Co., Ltd.
Statutory representative:	Bai Jiwen
Statutory address:	No. 11, Yangfangdian Road, Haidian District, Beijing
Promoter 5:	昆明中鐵大型養路機械集團有限公司 China Railway Large Maintenance Machinery Co., Ltd. Kunming

Statutory representative: Ma Yunkun

Statutory address: No. 384, Yangfangwang, Jinma Township, Kunming City, Yunnan Province

ii. **Article 19 of Articles**

After incorporation, and upon approval of the approving department authorised by the State Council, the Company issued 456,108,400 shares of H Shares (of which 414,644,000 shares were new shares issued by the Company and 41,464,400 shares were existing shares sold by promoters).

The share capital structure of the Company is as follows: The Company has issued a total of 1,084,255,637 ordinary shares. Of which, 589,585,699 shares or 54.377% are held by 中國南車集團株洲電力機車研究所 CSR Zhuzhou Electric Locomotive Research Institute, a promoter; 10,000,000 shares or 0.922% are held by 中國南車集團株洲電力機車有限公司 CSR Zhuzhou Electric Locomotive Company Ltd., a promoter; 9,380,769 shares or 0.865% are held by 中國南車集團戚墅堰機車車輛廠 CSR Qishuyan Locomotive & Rolling Stock Works, a promoter; 9,380,769 shares or 0.865% are held by 新力搏交通裝備投資發展有限公司 New Leap Communication Equipment Investment Development Co., Ltd., a promoter; 9,800,000 shares or 0.904% are held by 昆明中鐵大型養路機械集團有限公司 China Railway Large Maintenance Machinery Co., Ltd. Kunming; and 456,108,400 shares or 42.067% are held by shareholders of overseas listed foreign shares.

iii. **Article 92 of Articles**

The Company shall establish a board of directors consisting of ten directors of which there shall be a chairman, a vice-chairman and eight directors. Among the directors, there shall be eight external directors (referring to directors not holding internal positions of the Company) and there shall be more than three independent directors among the external directors (referring to directors who are independent of shareholders of the Company and not holding internal positions of the Company).

The board of directors may, in compliance with the relevant laws and administrative regulations, establish specialized committees for strategic decisions, audit and remuneration when so required.

*As at the date of this announcement, the directors of the Company are Ding Rongjun and Lu Penghu being the executive directors; Song Yali, Liao Bin and Ma Yunkun being the non-executive directors; and Zhou Heliang, Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing and Tan Xiao'ao being the independent non-executive directors.*