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

(Stock Code: 3898)

VOLUNTARY ANNOUNCEMENT

PROPOSED ESTABLISHMENT OF JOINT VENTURE

This announcement is made by Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) on a voluntary basis.

The Company, together with CRRC Group Co., Ltd. (“**CRRCG**”), CRRC Rail Transit Construction and Investment Co., Ltd. (“**Construction and Investment Company**”), CRRC (Beijing) Urban Development Equity Investment Fund Management Co., Ltd. (“**Investment Fund Management Company**”), CRRC Construction Engineering Co., Ltd. (“**CRRC C&E**”) and Suzhou CRRC Construction Engineering Co., Ltd. (“**Suzhou CRRC C&E**”), formed a social capital consortium to jointly submit a bid for the public-private partnership (PPP) project in relation to the transit engineering of the Wuxi-Jiangyin inter-city rail (the “**PPP Project**”), and received the letter of award of the bid on 8 October 2019.

On 30 October 2019, with the approval from the board of directors of the Company (the “**Board**”), the Company, together with CRRCG, Construction and Investment Company, Investment Fund Management Company, CRRC C&E and Suzhou CRRC C&E (as a consortium), proposed to establish a project company (the “**Project Company**”) with the government representatives Wuxi Metro Group Co., Ltd. and Jiangyin Xinguolian Investment and Development Co., Ltd. by way of joint contribution in order to invest in the PPP Project. The Project Company, once established, will be held as to 4% by the Company, and 0.1%, 2.4%, 67.02%, 5.48% and 1% by CRRCG, Construction and Investment Company, Investment Fund Management Company, CRRC C&E and Suzhou CRRC C&E, respectively. The Project Company will not become a subsidiary of the Company.

As at the date of this announcement, CRRC Zhuzhou Institute Co., Ltd. (the “**Parent Company**”) is the controlling shareholder of the Company, and CRRC Corporation Limited (“**CRRC**”) directly holds the entire equity interest in the Parent Company. CRRCG directly and indirectly holds approximately 51.08% equity interest in CRRC in aggregate, and CRRCG is the ultimate controlling shareholder of the Company. Construction and Investment Company is a subsidiary of CRRCG, Investment Fund Management Company is an associate of CRRCG and indirectly held as to 50% by CRRCG, and CRRC C&E and Suzhou CRRC C&E are subsidiaries of CRRC. As such, CRRCG, Construction and Investment Company, Investment Fund Management Company, CRRC C&E and Suzhou CRRC C&E are connected persons of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and the establishment of the Project Company will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Due to conflict of interest, Mr. Li Donglin, Mr. Yang Shouyi and Mr. Zhang Xinning have abstained from voting on the Board resolutions for approving such transactions. Save as mentioned above, none of the directors of the Company (the “**Directors**”) have a material interest in such transactions, and hence no other Director has abstained from voting on such Board resolutions.

As of the date of this announcement, the relevant parties have yet to enter into any definitive agreement in respect of the abovementioned establishment of Project Company. Upon the entering into of any such definitive agreement, the Company will fulfil its information disclosure obligations in a timely manner in accordance with the applicable requirements of the Listing Rules.

The shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Zhuzhou CRRC Times Electric Co., Ltd.
Li Donglin
Chairman

Zhuzhou, China, 30 October 2019

As at the date of this announcement, our chairman of the Board and executive Director is Li Donglin, our vice chairman of the Board and executive Director is Yang Shouyi, our other executive Directors are Liu Ke'an and Yan Wu, our non-executive Director is Zhang Xinning, and our independent non-executive Directors are Chan Kam Wing, Clement, Pao Ping Wing, Liu Chunru, Chen Xiaoming and Gao Feng.