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

**(Stock Code: 3898)**

## **VOLUNTARY ANNOUNCEMENT ASSET RESTRUCTURING PLAN**

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

The board of the directors (the “**Directors**”) of the Company (the “**Board**”) announces that it passed a resolution to approve the asset restructuring plan (the “**Plan**”) of the Company’s semiconductor business by (1) capital increase of RMB2,400 million by the Company in its wholly-owned subsidiary, 株洲中車時代半導體有限公司 (Zhuzhou CRRC Times Semiconductor Co., Ltd.) (“**Times Semiconductor**”), and (2) transfer of the existing assets, liabilities and business of the Company’s semiconductor business division (半導體事業部) to Times Semiconductor at the consideration of approximately RMB1,700 million (which is subject to the net asset value of the special audit) by way of private contract.

The Board considers that the implementation of the Plan is conducive to further optimizing and strengthening the management of the semiconductor business and stimulating the business development of the Group, which is in the interests of the Company and its shareholders as a whole.

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

Zhuzhou, China, 29 August 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.*