



2025

ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

**CORPORATE VALUE AND RETURN ENHANCEMENT
ACTION PLAN 2025**



株洲中车时代电气股份有限公司

ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.

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

Stock Code: 688187.SH

3898.HK

INTRODUCTION

To uphold the development concept of “investors first” as a listed company and safeguard the interests of all shareholders of Zhuzhou CRRC Times Electric Co., Ltd. (the “Company” or “Times Electric”), the Company, based on its confidence in the future prospects and value of the Company, published the Corporate Value and Return Enhancement Action Plan 2024 of Zhuzhou CRRC Times Electric Co., Ltd. (the “Action Plan”) on 29 March 2024, and published the Interim Evaluation Report on the Corporate Value and Return Enhancement Action Plan 2024 on 24 August 2024. In accordance with the Action Plan, the Company actively carried out and completed various tasks in 2024, achieving sound results in high-quality operation, technological innovation and improving shareholder returns.

In 2025, the Company formulated the Corporate Value and Return Enhancement Action Plan 2025, with a focus on “improving business quality, strengthening technological innovation, enhancing investor returns and fostering new quality productive forces” and based on its development strategy and business conditions.



Set out below are the performance of the Corporate Value and Return Enhancement Action Plan 2024, and main measures of the Corporate Value and Return Enhancement Action Plan 2025:

1



Persist in Professional Expansion and Focus on the Main Business for In-depth Cultivation and Refinement of Emerging Business

2



Persist in Innovation-driven Upgrades to Better Support High-level of Self-reliance and Self-improvement

3



Persist in Strengthening Management of Proceeds to Boost the Leap and Advancement of Our Principal Business

4



Persist in Promoting Refinement to Enhance Management and Deepen Digital Transformation and Upgrade

5



Persist in Deepening Quality Improvement and Efficiency Enhancement to Solidify the Company's Sustained Profitability

6



Persist in Improving the Construction of the Board of Directors to Enhance Modern Corporate Governance

7



Persist in Strengthening Investor Relations Management and Establishing a Multi-level and Mutually Beneficial Interactive Mechanism

8



Persist in Enhancing Shareholder Returns and Boosting Confidence in the Secondary Market

9



Miscellaneous



1

Persist in Professional Expansion and Focus on the Main Business for In-depth Cultivation and Refinement of Emerging Business

In 2024, the Company centered on the provision of enhanced services to support the construction of a modernized industrial ecosystem. By leveraging our independent core technologies in high-speed rail, we consolidated our resources to drive the development of strategic emerging industries, expedited the transformation and upgrading of our business while venturing into new domains, securing victories in untapped markets, and cultivating new sources of growth. These efforts bolstered our core capabilities and facilitated high-quality development.



In 2024, the Company recorded

Revenue of

RMB24.909 billion

+13.42%



YoY



Net profit attributable to shareholders of the Company of

RMB3.703 billion

+21.77%



YoY



Net cash flows from operating activities of

RMB3.361 billion

+21.45%



YoY



EBITDA of

RMB5.591 billion

+28.42%



YoY



Basic earnings per share of

RMB2.62

+21.86%



YoY



Weighted average return on net assets of

9.31%

+0.83 percentage points



YoY



Rail transit equipment business

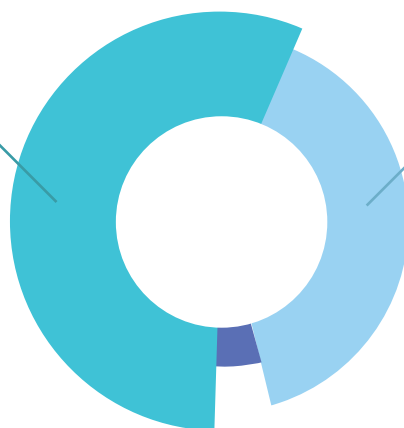
RMB14.636 billion

Emerging equipment business

RMB10.115 billion

+13.37%

YoY



+13.71%

YoY

Other businesses

RMB0.158 billion

+0.71%

YoY

Rail Transit Equipment Business

RMB10.990 billion

Rail transit electric equipment business

+7.41%

YoY



RMB1.891 billion

Rail engineering machinery business

+12.22%

YoY



RMB1.105 billion

Communication signal system

+67.50%

YoY



RMB0.650 billion

Other rail transit equipment business

+95.02%

YoY



Emerging Equipment Business

RMB4.110 billion

Basic devices

+11.02%

YoY



RMB2.569 billion

New energy vehicle electric drive system

+23.96%

YoY



RMB2.036 billion

New energy power generation

+5.70%

YoY



RMB0.865 billion

Marine equipment

+18.04%

YoY



RMB0.535 billion

Industrial converter

+15.93%

YoY



(1) Continuously maintain the leading advantage in the rail transit industry and consolidate our market position while expanding our market share

- Secured orders for new energy locomotive traction systems for the first time
- Completed the fully-furnished EMU prototype for CR450
- Secured locomotive autonomous driving orders of newly RMB100 million
- Maintained a domestic market share of above 50% for urban rail traction system, leading the industry for 13 consecutive years
- Achieved sound progress in maintenance and overseas businesses and substantially increased its maintenance revenue
- Completed the first installation of electrical system for electric transmission continuous tamping vehicle
- Secured the first ground-breaking order for large-size high-speed rail laying machine
- Communication signal business achieved revenue hitting a record high



(2) Seize development opportunities in emerging equipment industry to rapidly strengthen and improve our business

- Basic devices segment

Our IGBT module business established a clear leadership with the largest share in terms of delivery volume in domestic rail transit and power grid markets

Won bids for seven transmission lines in the power grid market, and secured a bulk order for an overseas flexible DC transmission project for the first time

Our power modules for new energy passenger vehicles achieved installation of 2.256 million sets, ranking second with a market share of 13.7% (according to NE Times)

Our semiconductor project phase III at Yixing production line went into operation successfully

The market share of the sensor business in the rail transit field continued to occupy a leading position, and we secured power grid orders for the first time

- New energy vehicle electric drive segment

Annual installation of 251,000 sets according to NE Times, and penetrated into five new automaker customers

Successfully developed the fourth-generation electric drive platform integrated bearing electric drive assembly, reducing system loss by more than 10%

- New energy power generation segment

Photovoltaic inverter business won the bid of more than 20GW in China, ranking at the forefront of the industry, and its annual shipment exceeded 10GW. The number of new contracts for wind hydrogen storage products has increased steadily, and the market share of IGBT hydrogen production power supply occupied a leading position domestically

- Marine equipment segment

Both revenue and the number of orders for marine equipment hit record highs

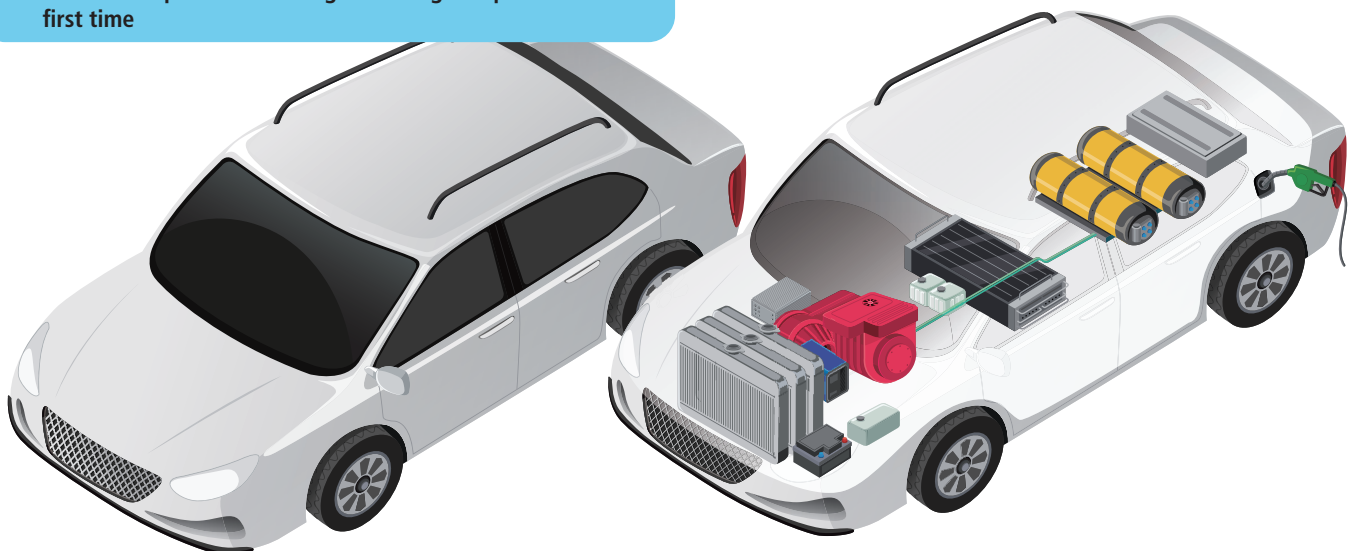
Launch of electric ROVs to market

- Industrial converter segment

Delivered newly 300 sets of mining truck electric drive system which are applied in 10 countries around the world

Secured central air-conditioning converter orders for data centers of China Mobile and China Telecom

Achieved export of metallurgical rolling mill products for the first time



(3) Strengthen industrial layout and build a solid foundation for high-quality development

We continued to strengthen the industrialization capability in industries such as semiconductor, new energy passenger vehicle electric drive system, and rail engineering machinery. Through the allocation of high-quality resources, we enhanced the specialization level and scale of these businesses. The low and medium voltage power device industrialisation (Yixing) first-phase construction project has been completed, including the factory and related facilities, and has commenced production. The low and medium voltage power device industrialisation (Zhuzhou) construction project has completed its design phase, entered the construction stage, and completed the pile foundation work. The production base project for new energy passenger vehicle electric drive systems and key components has completed all engineering construction and initiated the relocation of existing production lines. The construction project for the Changchun automotive motor base has completed the procurement of line 2 of flat wire motor stator rotor and successfully completed production line commissioning and synchronization.



Phase I Construction Project of Industrialization of Low and Medium Voltage Power Devices (Yixing)



New energy passenger vehicle electric drive system and key components manufacturing base project

Equity investments continued to focus on strategic emerging industries such as semiconductors, new energy passenger vehicle electrical systems, and sensors. We implemented mixed-ownership reforms and industrial restructuring to deepen reforms and facilitate rapid development of these businesses.

In 2025, the Company will unswervingly consolidate and enhance its rail transit business and emerging equipment business. For the rail transit segment, a cornerstone for our high-quality development, we will deeply cultivate our advantageous markets while exploring new businesses, to enhance our leading core strength. The cornerstone for our high-quality development will be reinforced. In the basic components segment, a new pillar for our high-quality development, the semiconductor business should steadily increase its market share by unlocking production capacity on a high quality basis and tapping into new growth directions; and the sensor business should maintain stable market share, improve quality and ensure delivery, riding on the momentum to build up our chip operations and enhance business quality. For the new energy vehicle electric drive system segment, a power source for our high-quality development, we should rapidly hone our core capabilities and continuously penetrate into key customer groups to enhance our brand influence. For the new energy power generation segment, a growth driver to our high-quality development, we should adhere to an all-element benchmarking approach to accelerate overseas expansion and increase market share. For the marine equipment segment, a new pivot for our high-quality development, we should seize the opportunities from electrification to step up strategic investment and synergize our cross-regional development efforts. For the industrial converter segment, a new engine for our high-quality development, we should deepen and improve our presence in niche areas, expand application scenarios, and extend our business boundaries.



2

Persist in Innovation-driven Upgrades to Better Support High-level of Self-reliance and Self-improvement

We adhere to self-reliance and strive for self-improvement on technologies, maintain significant R&D investment, strengthen research on key core technologies, seize the commanding heights of technological innovation, and strive to develop Times Electric into an innovative enterprise with global competitiveness.

(1) Persist in making substantial R&D investment to make breakthrough in key core technologies

In 2024, the Company continued to maintain significant R&D investment, and further increased its efforts in fundamental research with a focus on tackling fundamental, urgent, cutting-edge and disruptive technologies.

In 2024, the Company's R&D expenditure reached **RMB2.842 billion**, up **29.96%** year-on-year.

Proportion of R&D expenditure to the Company's revenue was **11.41%**, up **1.45** percentage points year-on-year.

For rail transit, the Company maintained its leading position in the rail transit industry, occupied the technological high ground, and comprehensively enhanced the intelligence level of rail transit products.

In emerging industries, we benchmarked against industry-leading enterprises, and closely aligned ourselves with customer needs with a focus on industrial product demands for power semiconductor devices, new energy vehicle electric drive systems, sensor devices, medium-voltage transmission systems and wind/photovoltaic converters. By addressing weaknesses and capitalizing on strengths, the Company continuously commercialized R&D innovation outcomes, thereby facilitating its rapid business growth.

Our subsidiary Zhuzhou CRRC Times Semiconductor Co., Ltd. received the **second prize of the 2023 National Technology Invention Award**.

Our subsidiaries Chongqing CRRC Times Electric Technology Co., Ltd. and Specialist Machine Developments (Shanghai) Co., Ltd. were accredited as National Specialised and New "Little Giant" Enterprise.



R&D expenditure in 2024 of
RMB2.842 billion



Proportion of R&D expenditure to the Company's revenue of
11.41%



Second prize of the 2023 National Technology Invention Award

(2) Strengthen intellectual property protection to build a solid technology barrier

In 2024, we rigorously initiated scientific research projects, emphasizing the four key elements of “**demand, planning, benchmarking, and cost**” in project initiation analysis. We strengthened the linkage with production lines and market, coordinated the planning of research projects in various technical fields, focused on key areas, and promoted a more focused approach to scientific research projects.

We emphasized the **protection of intellectual property rights**, and strengthened the application and management of intellectual property rights overseas.

In 2024, with a focus on its core technologies and main products, the Company adhered to and actively planned for intellectual property efforts to enhance its influence in the industry. In 2024, the Company was granted 278 new patents, including 6 patents in Europe, the United States and Japan, bringing the total number of valid patents granted to the Company to **3,762**, of which **over 60%** are invention patents. We took the lead or participated in the drafting of international, national, industry and group standards in transportation and energy sectors, among which **38 standards** were released, leading to our consolidated industry position.



In 2024, new patents grant to the Company:

278



6

patents in Europe, the United States and Japan



Total number of valid patents granted to the Company:

3,762

(3) Consolidate global resources to build an open innovation platform

In China, we engaged in exchanges and explored collaboration with universities and renowned enterprises on cutting-edge technologies such as artificial intelligence and cybersecurity. Internationally, we are advancing our global innovation partners program to continuously deepen existing collaborations and strengthen two-way interaction with top international universities and research institutions to improve scientific research innovation and the application of research outcomes.

In 2025, the Company will continue to regard the development of new quality productive forces as the core driver to our high-quality development. By sustaining a high level of R&D investment, the Company will adhere to the construction of its independent innovation capabilities and enhance the supply of high-quality technologies. We will actively undertake major national science and technology projects, focus on enhancing original innovation capabilities, and strive to make breakthroughs and master more fundamental and underlying technologies. We will accelerate the construction of pilot verification platform and establish a high-level innovation ecosystem, to promote efficient commercialization of technological achievements and lead and fuel industry development. We will focus on the requirement of **“outstanding brand”** to deepen our brand leadership activities. Also, we will focus on strengthening fundamentals and addressing weaknesses in our industry chain to actively deploy strategic investments. We will give better play to the role of technological innovation in industrial dominance and security guarantee.

The Company will deepen collaborative research project initiation, and build a continuously leading technological innovation system. We will strengthen management on cross-department collaborative project initiation, establish a project information synchronization mechanism, and strictly implement the **“three-step”** workflow. We will fully evaluate necessity of projects on a market demand-driven basis; plot out key milestones in a target-oriented approach; and comprehensively optimize the resource allocation mechanism in the resource-backed principle. Coordinated efforts will be taken in preparing our blueprint for national (provincial) science and technology awards, key project applications, patents and standards as well as improving our intellectual property protection and risk prevention mechanisms. The Company will optimize its global R&D resources and footprints, leveraging the accurate positioning of its UK R&D center to deliver high-quality R&D outcomes complementarily. We will continue to strengthen exchanges and cooperation with research institutes at home and abroad, and remain open-minded to take in global high-quality resources.

With a focus on fundamental technology research, the Company aspires to create a continuously leading, cutting-edge product platform. To this end, we will consolidate our fundamentals to achieve independency and autonomy of core technologies; accelerate technological upgrades to build industry-leading product platforms; and strengthen our testing capabilities to achieve safe and manageable product verification. We will earnestly promote effective use of innovative testing platforms, deeply explore reliability and lifespan testing efficiency and optimize the allocation rules on testing resources, to improve testing efficiency and safety assurance.



3

Persist in Strengthening Management of Proceeds to Boost the Leap and Advancement of Our Principal Business

In September 2021, Times Electric was listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange with total proceeds of RMB7.555 billion. Since its listing, the Company has used the proceeds to finance projects such as the **“application project of rail transit traction and network technology and system”**, the **“application project on key technologies and system R&D of smart railway bureau and smart urban rail transit”**, the **“advanced technology R&D application project of new industry”**, the **“R&D and manufacturing platform construction project of new-type rail engineering machinery”**, the **“innovative experimental platform construction project”** and replenishment of working capital.

In 2024, the Company continued to strengthen management of projects financed by the proceeds, and the cumulative IPO proceeds utilized accounted for **81.51%** of the total amount. During the implementation process of these projects, we strictly followed the regulations governing management of proceeds to cautiously utilize the proceeds, ensuring that the projects financed by the proceeds progressed smoothly according to relevant plan. Both the innovative experimental platform construction project and the manufacturing platform construction project of new-type rail engineering machinery have completed the entire conduction work and have been put in use. Thus, we promoted the Company's principal business development through the successful implementation of these projects, and achieved expected returns from these projects which enhanced our overall profitability.

In 2025, the Company will continue to strengthen management of projects financed by the proceeds, and the cumulative IPO proceeds utilized are expected to account for **approximately 92%** of the total amount. For the innovative experimental platform construction project and the manufacturing platform construction project of new-type rail engineering machinery, we will complete the remaining project audit and final accounting, acceptance inspection of equipment, application for title certificates and filing procedures. For the application project of rail transit traction and network technology and system, the application project on key technologies and system R&D of smart railway bureau and smart urban rail transit, and the advanced technology R&D application project of new industry, we will effectively proceed with the project management work. To meet **“high goals, high standards, and high requirements”**, we will timely identify and solve difficulties and pain points of these projects, ensure project execution as scheduled, and achieve continuous innovation and progress in technologies and products, to provide a strong support to smooth progress of our rail transit, new energy vehicles and other projects financed by the proceeds.

4

Persist in Promoting Refinement to Enhance Management and Deepen Digital Transformation and Upgrade

Addressing the pain points of Times Electric's operations, in 2024, the Company upheld the business philosophy of **"high-quality operation and efficient management"**. We continued to implement **"Times Electric digitalization"** and establish a digital transformation path of **"identifying a core focus, leveraging a set of data, and integrating a comprehensive system"**, to continuously stimulate the corporate development momentum. Firstly, the Company focused on **"identifying a core focus"**, targeting the enhancement of operational capabilities with transformation. Guided by the Company's strategy and closely aligned with the core focus of **"decomposition and implementation of key business indicators"**, based on quality, cost, delivery and other dimensions, the indicators are divided and disintegrated in layers and levels to achieve transparent and effective management of the entire operational process. Secondly, the Company leveraged **"a set of data"** to foster a shift towards a data-driven management approach. Utilizing existing information platforms and harnessing the power of big data technology, the Company bridged **"information gaps"** and established a unified data infrastructure to support the efficient implementation of digital operations across various business domains. Thirdly, the Company integrated **"a system"**, ensuring integration of transformation and digitalization. With the goal of **"enhancing both efficiency and economics,"** the Company optimized its management system and consolidated resources to achieve harmonious development of the **"Times Electric digitalization"** and improvements in all areas of management.

In 2025, we will continue to deepen the digital intelligence transformation and improve business management efficiency. Digital transformation as the inevitable path to high-quality development is a long-term and undisputed task, for which we should focus on improving core business issues to make concrete and deep footprints of digitalization. Efforts will be aligned with the goals of digital transformation. We will accurately capture the core elements of digital transformation: solve business pain points, enhance management efficiency, improve business indicators, and accumulate organizational assets. The existing achievements of digitization will be utilized properly. Centering on our core businesses and the enabling and support processes, we should adhere to the use, evaluation and improvement of the established business rules and the information systems in place, while leveraging iterative plan-do-check-act (PDCA) optimizations to empower business improvement. Main battlefields of digitalization will be identified. We will streamline the whole core value processes including the issue-to-resolution (ITR) process, enhance business standardization and digitalization levels, build our business upon processes, and run data upon information technology. We will continuously explore further applications of digital intelligence, employing big data and artificial intelligence to empower business analysis and improvement and support our business decision-making.

5

Persist in Deepening Quality Improvement and Efficiency Enhancement to Solidify the Company's Sustained Profitability



Times Electric has always adhered to the business philosophy of **"contributing to the country through industrial development"** and continuously enhanced its profitability. In recent years, the Company has pursued high-quality development driven by digitalization, deepening its refined management practices. It has introduced its digital operation "cockpit", which dynamically monitors key indicators and conducts quantitative and precise analysis throughout the entire value chain. The Company explores value enhancement opportunities from multiple dimensions, including income source expansion, cost reduction and control, efficiency enhancement and risk management. While contributing to the steady increase in shareholders' equity, the Company has maintained a return on net assets of **over 7%**, achieving mutual benefits and win-win outcomes for the Company and its shareholders.



In 2024, the Company continued to deepen measures for quality improvement and efficiency enhancement. We delved into every link of the entire value chain, and refined the construction of an open and collaborative technological platform, a high-quality and stable supply platform, and an efficient and cost-effective production platform. We built a digital transformation path guided by the Company's strategy and closely aligned with core business indicators. We systematically broke down and analyzed these indicators, ensuring transparent and effective management throughout the entire operational process. We comprehensively conducted operational analyses aiming at improving overall productivity, advancing business enhancements from a resource allocation perspective, and effectively implemented measures to improve quality and efficiency. We completed the third-phase capital increase and share expansion project in Zhuzhou CRRC Times Semiconductor Co., Ltd. by introducing high-calibre, high-technology and high-growth strategic investors and an employee stock ownership platform to further deepen industrial strategic cooperation and effectively motivate key employees, thereby ensuring a steady increase in the Company's profitability and continuously strengthening the Company's sustainability capabilities with high-quality operation and efficient management.

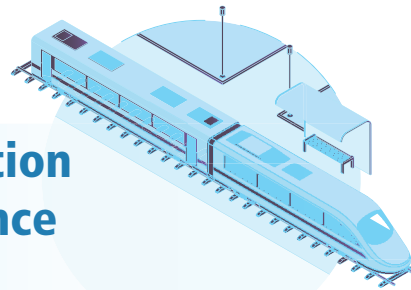


In 2025, the Company will focus on important areas and key processes for boosting revenue and profitability, strengthen cost control, and strictly fulfill the primary responsibility of product lines as profit contributors. We will accelerate the replication and promotion of the headquarters' excellent management achievements in integrated product development (IPD), achieve common sharing in layers and levels, promote refined management, strengthen duty performance, and solve management imbalance in branches and subsidiaries. Meanwhile, we will orderly promote management inquiry and review at branches and subsidiaries, timely diagnose and improve the difficulties, pain points and problems in business management, to enhance the Company's overall profitability.



6

Persist in Improving the Construction of the Board of Directors to Enhance Modern Corporate Governance



In 2024, the Company was included into the 2024 Best Practice Cases of Board of Directors by China Association for Public Companies, in recognition of unique strengths and leading practices of the board of directors as demonstrated in the Board's operation mechanism, director appointment and duty performance mechanisms, digital construction, information disclosure management, investor relations management, and implementation of ESG principles.



In 2024, the Company continued to improve its corporate governance mechanisms and accelerated the construction of a professional, responsible, standardized and efficient board of directors. Firstly, we optimized the composition of the board of directors, ensuring that external directors account for a majority of the board members, and independent directors account for no less than half of the board members. We actively expanded the channels for selecting independent directors. On 27 June 2024, the Company appointed one female director to promote gender diversity among board members. Secondly, we improved the supportive system for communication with independent directors and duty performance by directors. In accordance with the new Company Law and regulatory requirements, we formulated and revised 22 rules and policies including the articles of association. Thirdly, the Company implemented a training plan for its directors, supervisors, senior executives, and other key personnel with a training coverage rate of over **90%**. This comprehensive training plan, conducted both online and offline, helped to enhance their knowledge of compliance and equip them with the necessary skills to diligently fulfill their obligations according to relevant laws, thereby safeguarding the interests of the Company and its shareholders as a whole.



In 2025, as the new Company Law introduced a requirement on employee directors, the Company keenly captured this key change, taking it as an important opportunity to further improve its corporate governance structure and enhance governance efficiency. In 2025, the Company intends to elect an employee director who shall act on behalf of the interests of employees and possess professional skills according to the needs of corporate governance. Meanwhile, the Company will, in accordance with the listing rules of the Hong Kong Stock Exchange and the Shanghai Stock Exchange and based on its actual conditions, leverage the advantages in its diversified board structure to optimize member composition of the special committees under the board of directors, continue to optimize the support mechanism for duty performance of independent directors, and further strengthen deep communication and collaboration between independent directors and internal teams of the Company, to inject new vitality into our business development.

7

Persist in Strengthening Investor Relations Management and Establishing a Multi-level and Mutually Beneficial Interactive Mechanism

Times Electric strictly complies with the regulatory requirements of the Company Law, the Securities Law, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange and the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange and other laws, regulations and normative documents in fulfilling its information disclosure obligations to ensure that the information is disclosed in a true, accurate, complete, timely and fair manner and all shareholders have fair and equal access to the information, and to safeguard the interests of all shareholders, especially the minority shareholders.

Recognitions of the Company in 2024

- ★ A-grade rating in assessment of information disclosure by the Shanghai Stock Exchange
- ★ "2024 CBN Capital Market Value League Table – Annual Innovative Enterprise" by China Business Network
- ★ "Top 30 Listed Companies in Value on the Science and Technology Innovation Board" by Securities Times
- ★ "Future Star Listed Company in Manufacturing Industry" award by the China Industry Development Forum of Listed Companies



In 2024, the Company continued to strengthen investor relations management, maintain close communication with investors, and comprehensively establish an efficient and transparent platform for communication with investors. We ensured smooth channels of communication with investors and actively engaged in effective communication and exchanges with them, following the principles of being comprehensive, proactive, collaborative, precise, and efficient, to build a solid communication bridge between the Company and the capital market:

Firstly, we held the 2023 performance briefing, interim SSE STAR Market aerospace and advanced rail transit special collective performance briefing and third quarter performance briefing at the SSE Roadshow Center in April, September and December 2024, respectively, with the participation of senior management including the chairman of the Board, independent directors and general manager of the Company, providing an opportunity for the Company's leadership to directly address investor concerns and effectively convey the voice of Times Electric through a high-standard performance briefing.

1

Secondly, we held the 2023 annual results conference in Hong Kong on 9 April 2024, attracting over 50 investors and senior analysts from global top financial institutions. Directors including the chairman of the Board and senior management attended the conference, to present our business results and development updates in 2023, and answered the questions of the audience in detail.



2

Thirdly, in July 2024, Niu Jie, the Party Committee Secretary and deputy general manager of the Company, was invited to participate in the ninth episode titled "Leading the Entire Rail Transit Manufacturing Chain" of the program "Hard Tech, Hard Talk" under the flagship column "SSE Narratives" jointly produced by the SSE and CNR.cn.



3

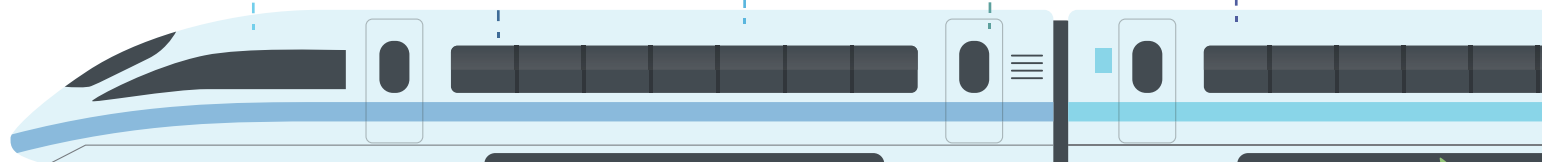
Fourthly, on 10 September 2024, the Company held a reverse roadshow themed "Walking with the Times, Building Dreams with Rail Transit" in Zhuzhou city, Hunan Province, nearly 100 investors and brokerage analysts attended the event, and the Company's general manager, chief financial officer and secretary of the Board all attended, and had extensive communication and exchanges with investors, further demonstrating the Company's core values and future development potential, and enhancing investors' understanding and confidence in the Company's business.



4

Fifthly, we utilized various channels, including listed company public announcements, investor conferences, on-site exchange and research with investors, SSE interactive platform, telephone and email, to promptly, openly and transparently communicate the Company's operating results, financial positions and other updates to all market participants, ensuring that investors and stakeholders are well informed about the Company's operation and management in a timely manner.

5

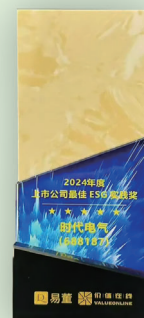


Staying in tune with the national trend of green and sustainable development to implement the ESG principles, the Company had disclosed the Social Responsibility Report consecutively since 2009. In the Social Responsibility and Environmental, Social and Governance (ESG) Report for 2023 disclosed by the Company, we additionally disclosed the intensity and categories of greenhouse gas emissions, the total amount and intensity of comprehensive energy consumption, and the total emissions of waste gas, solid waste, hazardous waste and packaging consumables. Furthermore, we published an essay headed “ESG Report in One Picture” on our WeChat official account, combining concise graphics and text to illustrate the essence of the report.

The Company's recognitions and honours



- ★ ESG “A” rating from Wind Info
- ★ “A” rating in the CSI ESG evaluation
- ★ National “Green Supply Chain Management Enterprise”
- ★ “Top 50 Central Enterprises” award granted at the 2nd Guoxin Cup • ESG Golden Bull Award ceremony
- ★ “Best ESG Practice Award” for listed companies in 2024 by easy-board.cn



The Company will continue to strengthen its ESG management and further enhance its ESG performance to underpin its high-quality development.

In 2025, in order to better safeguard shareholders' rights and interests, the Company formulated the **Market Capitalization Management Rules**. Accordingly, the chairman of the Board is tasked to oversee the Company's market capitalization management efforts, and public opinion monitoring is integrated into our daily management system. Combining various strategies, we will reasonably stabilize market capitalization, ensure the alignment of market capitalization with intrinsic value of the Company, and effectively protect the interests of investors. We will actively communicate with investors through various forms, answer and explain various issues of concern to investors within the scope of legal compliance, enhance investors' sense of identification with the Company, and establish a sound corporate image in the capital market.



8

Persist in Enhancing Shareholder Returns and Boosting Confidence in the Secondary Market

Since its listing on the Hong Kong Stock Exchange in 2006, Times Electric has maintained a stable dividend policy, with the annual dividend amount accounting for over 20% of the net profit attributable to the parent company. With the steady development of the Company's performance, the dividend per share has increased year by year. Taking into account the needs of investors for returns and the long-term development of the Company, the proposal has been considered and approved at the 2023 annual general meeting of the Company, under which the cash dividend was paid in full on 8 August 2024.

After the listing of the Company's A shares on the Science and Technology Innovation Board in 2021,

the dividend ratio has increased to over 30%.

From 2006 to 2023,

the Company has distributed dividends of approximately RMB8.3 billion, representing 73.55% of the total proceeds from listing on both markets.

Taking into account the needs of investors for returns and the long-term development of the Company

The Company proposed a profit distribution plan for 2023 as follows:

to distribute a cash dividend of RMB7.8 per 10 shares (inclusive of tax) to all shareholders for 2023; the total amount of cash dividend to be paid out exceeds RMB1.1 billion, accounting for 35.45% of the net profit attributable to shareholders of the Company in the consolidated statement of 2023. The cash dividend per share represents a year-on-year increase of 41.82% over the last year.

For year 2024, the Company expects to continue to give back to investors based on its financial conditions. The profit distribution plan for 2024 is as follows:

Based on the total share capital of 1,369,339,712 shares as of 26 February 2025, to distribute a cash dividend of RMB10 per 10 shares (inclusive of tax) to all shareholders for 2024; the total amount of cash dividend to be paid out exceeds RMB1.369 billion, accounting for 36.98% of the net profit attributable to shareholders of the Company in the consolidated statement of 2024. The cash dividend per share represents a year-on-year increase of 28.21% over the last year.

No bonus issue or conversion of capital reserve into share capital will be made for 2024. In case of a change in the total share capital of the Company before the record date for entitlement, the Company proposed to keep the dividend ratio per share unchanged and adjust the total dividend accordingly, and details of such adjustment will be announced separately. This proposal will be submitted to the Company's 2024 annual general meeting for consideration.

Adhering to the concept of better safeguarding shareholders' rights and interests and creating greater value for shareholders, Times Electric has continued to implement value realization measures including share repurchase for cancellation. The Company has repurchased **46,897,200 H shares** for approximately **HK\$1.384 billion** (exclusive of expenses) in total. Accordingly, the number of the Company's shares in issue will be reduced to **1,369,339,712 shares (including 500,432,200 H shares and 868,907,512 A shares)**. These measures demonstrated to the capital market our in-depth recognition of the Company's operational stability and growth, expressed our firm confidence in the Company's stable development in the future, and responded to changes in the capital market in real time with practical actions.

In January 2024,

the Company repurchased 4,696,800 H shares, which were cancelled in April 2024.



From 12 December 2024 to 16 December 2024,

the Company repurchased 4,887,300 H shares, which were cancelled on 19 December 2024.



From 17 December 2024 to 20 February 2025,

the Company repurchased 37,313,100 H shares, which were cancelled on 26 February 2025.

In 2025, the Company will continue to implement measures such as share repurchase for cancellation, and will prepare the **Shareholders' Dividend and Return Plan for the Next Three Years (2025-2027) of Zhuzhou CRRC Times Electric Co., Ltd.** Based on our development stage, we will maintain a dynamic balance between business development, performance growth and shareholder returns. By establishing a sustainable shareholder value and return mechanism, we aim to enhance the satisfaction and benefits of our investors, allow investors to share the fruits of growth with the Company, and enhance investors' confidence in our business development.

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Miscellaneous

In 2024, the Company advanced its high-quality development by implementing the **Corporate Value and Return Enhancement Action Plan**. Staying focused on its principal business, the Company continued to optimize operational management, improve business quality comprehensively, and strengthen management and maintenance of investor relations, thus safeguarding the legitimate rights and interests of investors effectively.

Through continuous evaluation on the measures adopted, the Company further optimized and developed the **Corporate Value and Return Enhancement Action Plan 2025** on the basis of the Action Plan 2024. Looking into 2025, the Company will adhere to the key note of **"high-quality development and efficient management"**, continuing to enhance its core competitiveness and foster new quality productive forces. Through robust business management and standardized corporate governance, we will take initiatives to give back to our investors, effectively fulfill our responsibilities and obligations as a listed company, and contribute to stable and healthy development of the capital market.

This Action Plan is developed based on the Company's current conditions and does not constitute a material commitment of the Company to investors. Given the uncertainties due to the potential impact from macroeconomic policy adjustments and changes in industry market and environment in the future, among other factors, investors are advised to be aware of the risks involved.





株洲中车时代电气股份有限公司
ZHUZHOU CRRC TIMES ELECTRIC CO., LTD.