ANNOUNCEMENT

ACQUISITION OF 13.06% EQUITY INTERESTS IN CHINA UNITED INSURANCE

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”).

Since 30 November 2015, China Insurance Security Fund Co., Ltd. (“Insurance Security Fund”) has listed its equity interests in China United Insurance Holding Corporation (“China United Insurance”) in the total amount of 6 billion shares for transfer at the Beijing Financial Assets Exchange. On 7 and 8 January 2016, CRRC Corporation Limited (the “Company”) participated and succeeded in the bidding for 2 billion shares in China United Insurance (the “Transaction”). The listing price for the shares is RMB 3.440 billion and the transaction price for the shares is RMB 4.455 billion.

The listing price of such share transfer is based on the appraised net assets value of China United Insurance, and is conducted through the public solicitation of transferees at an asset and equity exchange for listing and transfer. The transfer consideration is determined by way of bidding. As such, the consideration for the share transfer is fair and reasonable.

The Company shall enter into an agreement in respect of the Transaction with Insurance Security Fund pursuant to the requirements of the relevant laws and regulations and regulatory documents as well as the relevant requirements of the Beijing Financial Assets Exchange. The Transaction shall be implemented subject to among others, approvals from the relevant examination and approval authorities. Upon the completion of the Transaction, the Company shall hold 13.06% equity interests of China United Insurance.
China United Insurance was established on 5 June 2006, with a registered capital of RMB 15,310 million. Prior to the transfer, China Orient Asset Management Corporation and Insurance Security Fund held 51.01% and 44.82% equity interests of China United Insurance, respectively. The main businesses of China United Insurance include: investing to establish insurance companies; supervising and managing various domestic and international businesses of holding investment companies; investing in businesses permitted by national laws and regulations; fund management business related advisory services; other businesses approved by the China Insurance Regulatory Commission.

The Transaction is beneficial in diversifying the asset portfolio of the Company, dispersing the operational risks of the Company, and promoting the industry and financial integration of the Company. The Transaction will not result in changes to the scope of the consolidated accounts of the Company.

As all applicable percentage ratios of the Transaction calculated under Rule 14.07 of the Hong Kong Listing Rules are less than 5%, the Transaction is not subject to the announcement and shareholders’ approval requirements under Chapter 14 of the Hong Kong Listing Rules.

The Transaction is subject to completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board

CRRC Corporation Limited
Cui Dianguo
Chairman

Beijing, the PRC
8 January 2016

As at the date of this announcement, the executive directors of the Company are Mr. Cui Dianguo, Mr. Zheng Changhong, Mr. Liu Hualong, Mr. Xi Guohua and Mr. Fu Jianguo; the non-executive director is Mr. Liu Zhiyong; and the independent non-executive directors are Mr. Li Guo’an, Mr. Zhang Zhong, Mr. Wu Zhuo, Mr. Sun Patrick and Mr. Chan Ka Keung, Peter.