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中國中車股份有限公司  
**CRRCL CORPORATION LIMITED**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 1766)**

**ANNOUNCEMENT**

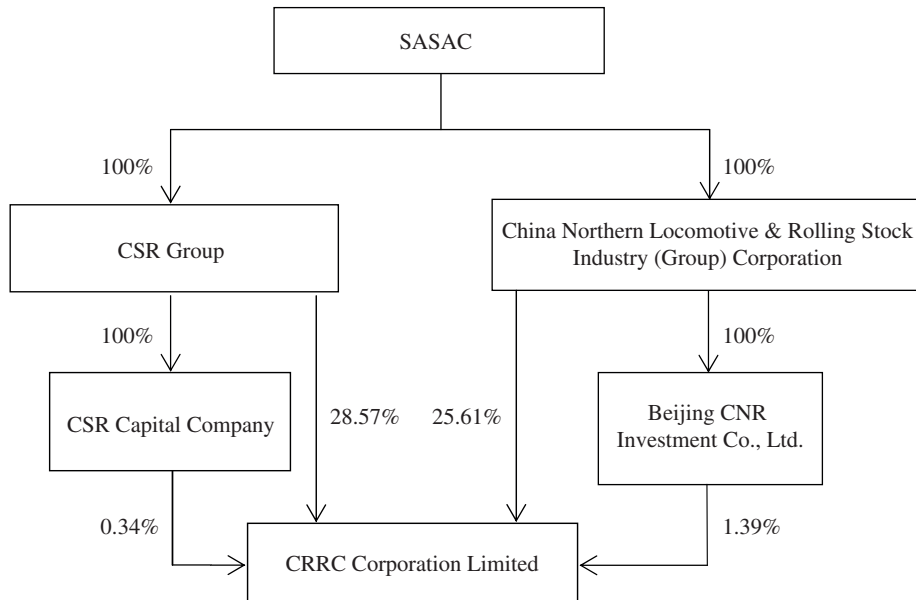
**MERGER OF THE FIRST LARGEST SHAREHOLDER AND  
THE SECOND LARGEST SHAREHOLDER**

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.

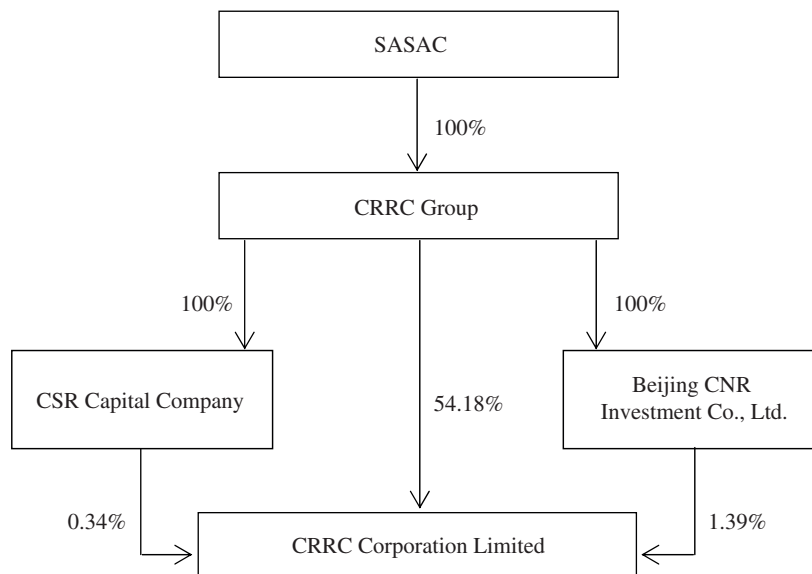
CRRCL Corporation Limited (the “**Company**”) received a notice from the first largest shareholder of the Company, CSR Group (中國南車集團公司) (“**CSRG**”), and the second largest shareholder of the Company, China Northern Locomotive & Rolling Stock Industry (Group) Corporation (中國北方機車車輛工業集團公司) (“**CNRG**”), informing that they had entered into a merger agreement on 5 August 2015. According to the merger agreement, CNRG will absorb CSRG and CSRG will be de-registered, CNRG will change its name to “CRRCL Group” and all assets, liabilities, businesses, employees, contracts, qualifications and all other rights and obligations of CSRG will be held by the post-merger corporation (the “**Merger**”). The Merger has been approved by the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) (“**SASAC**”) pursuant to the “Notice regarding the Restructuring of China Northern Locomotive & Rolling Stock Industry (Group) Corporation and CSR Group” (Guo Zi Fa Gai Ge (2015) No. 102) (《關於中國北方機車車輛工業集團公司與中國南車集團公司重組的通知》(國資發改革【2015】102號)).

Before the Merger, CSRG, the first largest shareholder of the Company, directly held 28.57% equity interest in the Company, and indirectly held 0.34% equity interest in the Company through its subsidiary CSR Capital Company (中國南車集團投資管理公司). CNRG, the second largest Shareholder of the Company directly held 25.61%

equity interest in the Company, and indirectly held 1.39% equity interest in the Company through its subsidiary Beijing CNR Investment Co., Ltd. (北京北車投資有限責任公司).The following diagram sets forth the ownership and control structure of the Company prior to the Merger:



After the Merger, the post-merger corporation, CRRC Group, will directly hold 54.18% equity interest in the Company, indirectly hold 0.34% equity interest in the Company through CSR Capital Company, and indirectly hold 1.39% equity interest in the Company through Beijing CNR Investment Co., Ltd. The following diagram sets forth the ownership and control structure of the Company after the Merger:



The Merger results in no changes to the ultimate controller of the Company. The ultimate controller of the Company remains to be SASAC.

The implementation of the Merger is subject to certain conditions, and therefore uncertainties. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. The Company will, depending on the progress of the Merger and in accordance with the applicable laws, regulations and listing rules of the places on which the shares of the Company are listed, comply with further disclosure requirements in relation to the Merger (if required) in due course.

By order of the Board  
**CRRC Corporation Limited**  
**Cui Dianguo**  
*Chairman*

Beijing, the PRC  
5 August 2015

*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.*