

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

(Stock Code: 3898)

**DISCLOSEABLE TRANSACTIONS
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS
(PRINCIPAL-PRESERVATION WITH FLOATING RETURN IN NATURE)**

The Board is pleased to announce that in October and December 2017, the Company entered into the Wealth Management Agreements to subscribe for the Wealth Management Products in an aggregate subscription amount of RMB1,350,000,000 (equivalent to approximately HK\$1,606,500,000).

Each of the Wealth Management Agreements by itself does not constitute a discloseable transaction of the Company under Rule 14.06 of the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, when the relevant subscription amounts under the Wealth Management Agreements are aggregated, one or more of the applicable percentage ratios exceeds 5% but is lower than 25%. Therefore, the Wealth Management Agreements, on an aggregate basis, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under the Listing Rules.

The Board is pleased to announce that in October and December 2017, the Company entered into the Wealth Management Agreements to subscribe for the Wealth Management Products in an aggregate subscription amount of RMB1,350,000,000 (equivalent to approximately HK\$1,606,500,000).

1. THE WEALTH MANAGEMENT AGREEMENTS

1.1 Huarong Xiangjiang Bank Wealth Management Agreement

A summary of the terms of the Huarong Xiangjiang Bank Wealth Management Agreement is set out as follows:

- | | |
|--|---|
| (1) Date of the agreement: | 17 October 2017 |
| (2) Date of subscription: | 18 October 2017 |
| (3) Parties: | (i) Huarong Xiangjiang Bank; and
(ii) the Company |
| (4) Name of the wealth management plan: | 華融2017年融智理財，穩益計劃17224號人民幣理財產品(Huarong 2017 Rongzhi Wealth Management – Steady Return Plan No. 17224 RMB Wealth Management Product*) |

(5) Currency of investment and returns:	RMB
(6) Type of return:	Principal-preservation with floating return
(7) Subscription amount:	RMB100,000,000 (equivalent to approximately HK\$119,000,000)
(8) Term of investment:	From 18 October 2017 to 18 January 2018
(9) Term of product:	92 days
(10) Expected rate of investment return per annum:	Approximately 3.60%
(11) Principle for calculation of returns and interest:	Return on the product is calculated based on the investment principal, number of days of investment, and the actual annualized return rate
(12) Investment scope of the product:	The funds raised would be invested in, among other investment products, government bonds, bills of central bank, financial bonds and interbank deposits
(13) Right of early termination:	Only Huarong Xiangjiang Bank has the right of early termination; the Company has no right of early termination
(14) Payment of principal and return upon maturity:	The principal and corresponding return would be paid in a lump sum on the maturity date

1.2 First China Everbright Wealth Management Agreement

A summary of the terms of the First China Everbright Wealth Management Agreement is set out as follows:

(1) Date of the agreement:	27 December 2017
(2) Date of subscription:	27 December 2017
(3) Parties:	(i) China Everbright; and (ii) the Company
(4) Name of the wealth management plan:	中國光大銀行「季季盈」產品EB4324 (China Everbright Bank “Quarterly Profit” Product No. EB4324*)
(5) Currency of investment and returns:	RMB

- | | |
|---|--|
| (6) Type of return: | Principal-preservation with floating return |
| (7) Subscription amount: | RMB100,000,000 (equivalent to approximately HK\$119,000,000) |
| (8) Term of investment: | From 27 December 2017 to 27 March 2018 |
| (9) Term of product: | 3 months |
| (10) Expected rate of investment return per annum: | Approximately 5.10% |
| (11) Principle for calculation of return and interest: | Return on the product is calculated based on the investment principal, number of days of investment and the actual annualized rate of return |
| (12) Investment scope of the product: | The funds raised would be invested in, among other investment products, bank deposits, monetary market instruments and bonds |
| (13) Right of early termination: | Neither the Company nor China Everbright has the right of early termination |
| (14) Payment of principal and return upon maturity: | The principal and corresponding return would be paid in a lump sum on the maturity date |

1.3 CGB Wealth Management Agreement

A summary of the terms of the CGB Wealth Management Agreement is set out as follows:

- | | |
|--|--|
| (1) Date of the Agreement: | 28 December 2017 |
| (2) Date of subscription: | 28 December 2017 |
| (3) Parties: | (i) CGB; and
(ii) the Company |
| (4) Name of the wealth management plan: | 廣發銀行「薪加薪16號」人民幣理財產品 (CGB “Xinjiaxin No.16” RMB Wealth Management Product*) |
| (5) Currency of investment and returns: | RMB |
| (6) Type of return: | Principal-preservation with floating return |

- | | |
|--|--|
| (7) Subscription amount: | RMB100,000,000 (equivalent to approximately HK\$119,000,000) |
| (8) Term of investment: | From 28 December 2017 to 26 February 2018 |
| (9) Term of products: | 60 days |
| (10) Expected rate of investment return per annum: | Approximately 2.60% or 4.70% |
| (11) Principle for calculation of product returns and interest: | Return on the product is calculated based on the investment principal, number of days of investment, and the actual annualized return rate. |
| (12) Investment scope of the product: | The funds raised would be invested in, among other investment products, monetary market instruments, government bonds, financial bonds and corporate bonds |
| (13) Right of early termination: | The Company has no right of early termination |
| (14) The payment of principal and return upon maturity: | The principal and corresponding return would be paid in a lump sum within two working days following the maturity date |

1.4 Bank of Communications Wealth Management Agreement

A summary of the terms of the Bank of Communications Wealth Management Agreement is set out as follows:

- | | |
|--|--|
| (1) Date of the agreement: | 28 December 2017 |
| (2) Date of subscription: | 28 December 2017 |
| (3) Parties: | (i) Bank of Communications; and
(ii) the Company |
| (4) Name of the wealth management plan: | 蘊通財富•日增利人民幣B款產品 (WINTO Fortune Daily Profit Increase RMB Product B*) |
| (5) Currency of investment and returns: | RMB |
| (6) Type of return: | Principal-preservation with floating return |

- | | |
|--|--|
| (7) Subscription amount: | RMB100,000,000 (equivalent to approximately HK\$119,000,000) |
| (8) Term of investment: | From 28 December 2017 to the confirmation date of redemption |
| (9) Term of product: | No express maturity term |
| (10) Expected rate of investment return per annum: | Approximately 2.30% |
| (11) Principle for calculation of returns and interest: | Return on the product is calculated based on the investment principal, number of days of investment, and the actual annualized return rate |
| (12) Investment scope of the product: | The funds raised would be invested in, among other investment products, government bonds, bills of central bank, financial bonds and interbank deposit |
| (13) Right of early termination: | Only Bank of Communications has the right of early termination; the Company has no right of early termination |
| (14) Payment of principal and return upon maturity: | The return would be transferred to the Company's capital account within two working days following the 15th day of each month; and the principal and corresponding return would be paid in a lump sum on the confirmation date of redemption |

1.5 Second China Everbright Wealth Management Agreement

A summary of the terms of the Second China Everbright Wealth Management Agreement is set out as follows:

- | | |
|--|---|
| (1) Date of the agreement: | 29 December 2017 |
| (2) Date of subscription: | 29 December 2017 |
| (3) Parties: | (i) China Everbright; and

(ii) the Company |
| (4) Name of the wealth management plan: | 中國光大銀行陽光理財T計劃機構定製產品 (China Everbright Sunshine Smart Wealth Management T Plan Customized Product for Financial Institutions*) |
| (5) Currency of investment and returns: | RMB |
| (6) Type of return: | Principal-preservation with floating return |

- | | |
|---|--|
| (7) Subscription amount: | RMB100,000,000 (equivalent to approximately HK\$119,000,000) |
| (8) Term of investment: | From 29 December 2017 to 15 January 2018 |
| (9) Term of product: | 17 days |
| (10) Expected rate of investment return per annum: | Approximately 4.30% |
| (11) Principle for calculation of return and interest: | Return on the product is calculated based on the investment principal, number of days of investment and the actual annualized rate of return |
| (12) Investment scope of the product: | The funds raised would be invested in, among other investment products, bank deposits, monetary market instruments, bonds and purchase of new shares |
| (13) Right of early termination: | Neither the Company nor China Everbright has the right of early termination |
| (14) Payment of principal and return upon maturity: | The principal and corresponding return would be paid in a lump sum on the maturity date |

1.6 Third China Everbright Wealth Management Agreement

The terms of the Third China Everbright Wealth Management Agreement are substantially the same as the First Everbright Wealth Management Agreement, save and except that the following information applies only to the Third Everbright Wealth Management Agreement but not the First Everbright Wealth Management Agreement:

- | | |
|-----------------------------------|--|
| (1) Date of the agreement: | 28 December 2017 |
| (2) Date of subscription: | 28 December 2017 |
| (3) Term of investment: | From 28 December 2017 to 28 March 2018 |
| (4) Subscription amount: | RMB200,000,000 (equivalent to approximately HK\$238,000,000) |
| (5) Term of product: | 3 months |

1.7 Fourth China Everbright Wealth Management Agreement

A summary of the terms of the Fourth China Everbright Wealth Management Agreement is set out as follows:

- | | |
|---|--|
| (1) Date of the agreement: | 29 December 2017 |
| (2) Date of subscription: | 29 December 2017 |
| (3) Parties: | (i) China Everbright; and
(ii) the Company |
| (4) Name of the wealth management plan: | 中國光大銀行陽光理財「定活寶」(機構)(China Everbright Sunshine Smart Wealth Management “Ding Huo Bao” (for institutions)*) |
| (5) Currency of investment and returns: | RMB |
| (6) Type of return: | Principal-preservation with floating return |
| (7) Subscription amount: | RMB 150,000,000 (equivalent to approximately HK\$178,500,000) |
| (8) Term of investment: | From 29 December 2017 to redemption on demand (<i>Note 1</i>) |
| (9) Term of product: | The maximum holding period is 365 days (<i>Note 1</i>) |
| (10) Expected rate of investment return per annum: | Approximately 3.80% if the holding period lasts 1 to 7 days |
| (11) Principle for calculation of return and interest: | Return on the product is calculated based on the investment principal, number of days of investment and the actual annualized rate of return |
| (12) Investment scope of the product: | The funds raised would be invested in, among other investment products, bank deposits, monetary market instruments, bonds and subscription of new shares |
| (13) Payment of principal and return upon maturity: | The principal and corresponding return would be paid in a lump sum on the date of redemption |

Note 1: The wealth management product subscribed under the Fourth China Everbright Wealth Management Agreement was redeemed by the Company on 2 January 2018.

1.8 First CMB Wealth Management Agreement

A summary of the terms of the First CMB Wealth Management Agreement is set out as follows:

- | | |
|---|---|
| (1) Date of the agreement: | 29 December 2017 |
| (2) Date of subscription: | 29 December 2017 |
| (3) Parties: | (i) CMB; and
(ii) the Company |
| (4) Name of the wealth management plan: | 招商銀行點金公司理財步步生金8688號 (Bu Bu Sheng Jin No. 8688 Wealth Management Scheme of CMB GoFortune*) |
| (5) Currency of investment and returns: | RMB |
| (6) Type of return: | Principal-preservation with floating return |
| (7) Subscription amount: | RMB100,000,000 (equivalent to approximately HK\$119,000,000) |
| (8) Term of investment: | From 29 December 2017 to redemption on demand |
| (9) Term of product: | No express maturity term |
| (10) Expected rate of investment return per annum: | Calculated based on the number of days of investment using the category-weighted method and according to CMB's actual operating performance |
| (11) Principle for calculation of return and interest: | Return on the product is calculated based on the investment principal, number of days of investment and the actual annualized rate of return using the category-weighted method |
| (12) Investment scope of the product: | The funds raised would be invested in, among other investment products, bank deposits, government bonds, bills of central bank and corporate bonds |
| (13) Right of early termination: | Only CMB has the right of early termination; the Company has no right of early termination |
| (14) Payment of principal and return upon maturity: | The principal and corresponding return would be paid in a lump sum within two trading days following the date of redemption |

1.9 Second CMB Wealth Management Agreement

The terms of the Second CMB Wealth Management Agreement are the same as those of the First CMB Wealth Management Agreement.

1.10 CITIC Wealth Management Agreement

A summary of the terms of the CITIC Wealth Management Agreement is set out as follows:

- | | | |
|------|--|--|
| (1) | Date of the agreement: | 29 December 2017 |
| (2) | Date of subscription: | 29 December 2017 |
| (3) | Parties: | (i) CITIC; and
(ii) the Company |
| (4) | Name of the wealth management plan: | 中信理財之共贏保本天天快車B款 (CITIC Wealth Management Win-win Principal Reserved Daily Express Product B*) |
| (5) | Currency of investment and returns: | RMB |
| (6) | Type of return: | Principal-preservation with floating return |
| (7) | Subscription amount: | RMB300,000,000 (equivalent to approximately HK\$357,000,000) |
| (8) | Term of investment: | From 29 December 2017 to redemption on demand (<i>Note 2</i>) |
| (9) | Term of product: | No express maturity term (<i>Note 2</i>) |
| (10) | Expected rate of investment return per annum: | Calculated based on the number of days held on hand using the category-weighted method and subject to adjustments by CITIC according to its actual operating performance (<i>Note 2 and 3</i>) |
| (11) | Principle for calculation of return and interest: | Return on the product is calculated based on the investment principal, number of days of investment and the actual annualized rate of return using the category-weighted method |
| (12) | Investment scope of the product: | The funds raised would be invested in, among other investment products, cash, interbank deposits, government bonds, bills of central bank and corporate bonds |
| (13) | Right of early termination: | Only CITIC has the right of early termination; the Company has no right of early termination |
| (14) | Payment of principal and return upon maturity: | The principal and corresponding return would be paid in a lump sum on the date of redemption |

Note 2: The wealth management product subscribed under the CITIC Wealth Management Agreement was redeemed by the Company on 2 January 2018.

Note 3: On the date of redemption, being 2 January 2018, the rate of investment return per annum was 2.65%.

2. RISK CONTROL MEASURES

Giving top priority to risk prevention, the Company implemented stringent control and made prudent decisions in respect of the purchase of the Wealth Management Products for upkeeping the principle of safeguarding the interests of all the Shareholders and the Company. The Wealth Management Products purchased by the Company are of a principal-preservation nature with floating returns. During the terms of the Wealth Management Products, the Company will keep in close contact with each of Huarong Xiangjiang Bank, CITIC, China Everbright, CGB, Bank of Communications, and CMB to monitor the operation of wealth management funds, strengthen risk control and supervision, and strictly control the safety of funds.

3. INFORMATION ON THE GROUP

The Group is mainly engaged in the research, development, manufacture and sale of locomotive train power converters, control systems and other train-borne electrical systems, as well as the development, manufacture and sale of urban railway train electrical systems. In addition, the Group is also engaged in the design, manufacture and sale of electric components for the railway industry, urban railway industry and non-railway purposes.

4. INFORMATION ON HUARONG XIANGJIANG BANK, CITIC, CHINA EVERBRIGHT, CGB, BANK OF COMMUNICATIONS AND CMB

- (a) Huarong Xiangjiang Bank is a bank incorporated in the PRC. The principal businesses of Huarong Xiangjiang Bank include the provision of corporate and retail services, capital operation, assets management and financial leasing as well as other financial services.
- (b) CITIC is a bank incorporated in the PRC. The principal businesses of CITIC include the provision of corporate and retail services, capital operation, investment banking, assets management, trust and financial leasing as well as other financial services.
- (c) China Everbright is a bank incorporated in the PRC. The principal businesses of China Everbright include the provision of corporate and retail services, investment banking, assets management, brokerage as well as other financial services.
- (d) CGB is a bank incorporated in the PRC. The principal businesses of CGB include the provision of corporate and retail services, capital operation, assets management, trust and financial leasing as well as other financial services.
- (e) Bank of Communications is a bank incorporated in the PRC. The principal businesses of Bank of Communications include the provision of corporate and retail services, capital operation, assets management, trust and financial leasing as well as other financial services.
- (f) CMB is a bank incorporated in the PRC. The principal businesses of CMB include the provision of corporate and retail services, investment banking, assets management, brokerage as well as other financial services.

To the best knowledge, information and belief of the Directors, each of Huarong Xiangjiang Bank, CITIC, China Everbright, CGB, Bank of Communications and CMB and their respective ultimate beneficial owners are independent third parties.

5. BASIS OF DETERMINATION FOR THE CONSIDERATION

The Directors confirmed that the considerations of the subscription of the above Wealth Management Products were determined on the basis of commercial terms negotiated at arm's length.

6. REASONS FOR AND BENEFIT OF ENTERING INTO THE WEALTH MANAGEMENT AGREEMENTS

The subscription of the Wealth Management Products, which are of principal-preservation with floating return in nature, using certain temporarily idle funds of the Group was conducted on the premises that such investments would not affect the working capital of the Group or the operation of the Group's principal businesses.

The subscription of the Wealth Management Products is conducive to improving the capital usage efficiency and generating investment return from the Group's temporarily idle funds. As such, the Directors are of view that the Wealth Management Agreements are fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

7. IMPLICATIONS UNDER THE LISTING RULES

Each of the Wealth Management Agreements by itself does not constitute a discloseable transaction of the Company under Rule 14.06 of the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, when the relevant subscription amounts under the Wealth Management Agreements are aggregated, one or more of the applicable percentage ratios exceeds 5% but is lower than 25%. Therefore, the Wealth Management Agreements, on an aggregate basis, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under the Listing Rules.

8. DEFINITIONS

Unless the context otherwise requires, the following terms used herein have the following meanings:

“Bank of Communications”	Bank of Communications Co., Ltd. (交通銀行股份有限公司), a bank incorporated under the laws of the PRC
“Bank of Communications Wealth Management Agreement”	the wealth management agreement entered into between the Company and Bank of Communications dated 28 December 2017 as described in the section headed “1.4 Bank of Communications Wealth Management Agreement”
“Board”	the board of Directors
“CGB”	China Guangfa Bank Co., Ltd. (廣發銀行), a bank incorporated under the laws of the PRC

“CGB Wealth Management Agreement”	the wealth management agreement entered into between the Company and CGB dated 28 December 2017 as described in the section headed “1.3 CGB Wealth Management Agreement”
“China Everbright”	China Everbright Bank (中國光大銀行), a bank incorporated under the laws of the PRC
“CITIC”	China CITIC Bank Co., Ltd. (中信銀行股份有限公司), a bank incorporated under the laws of the PRC
“CITIC Wealth Management Agreement”	the wealth management agreement entered into between the Company and CITIC dated 29 December 2017 as described in the section headed “1.10 CITIC Wealth Management Agreement”
“CMB”	China Merchants Bank (招商銀行), a bank incorporated under the laws of the PRC
“Company”	Zhuzhou CRRC Times Electric Co. Ltd. (株洲中車時代電氣股份有限公司) (formerly known as Zhuzhou CRS Times Electric Co., Ltd. (株洲南車時代電氣股份有限公司)), a joint stock company established in the PRC with limited liability, the H shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“First China Everbright Wealth Management Agreement”	the wealth management agreement entered into between the Company and BOC dated 27 December 2017 as described in the section headed “1.2 First China Everbright Wealth Management Agreement”
“First CMB Wealth Management Agreement”	the wealth management agreement entered into between the Company and CMB dated 29 December 2017 as described in the section headed “1.8 First CMB Wealth Management Agreement”
“Fourth China Everbright Wealth Management Agreement ”	the wealth management agreement entered into between the Company and China Everbright dated 29 December 2017 as described in the section headed “1.7 Fourth China Everbright Wealth Management Agreement”
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Huarong Xiangjiang Bank”	Huarong Xiangjiang Bank Corporation Limited (華融湘江銀行), a bank incorporated under the laws of the PRC

“Huarong Xiangjiang Bank Wealth Management Agreement”	the wealth management agreement entered into between the Company and Huarong Xiangjiang Bank dated 17 October 2017 as described in the section headed “1.1 Huarong Xiangjiang Bank Wealth Management Agreement”
“Independent Third Parties”	third parties independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Second China Everbright Wealth Management Agreement”	the wealth management agreement entered into between the Company and Everbright dated 29 December 2017 as described in the section headed “1.5 Second China Everbright Wealth Management Agreement”
“Second CMB Wealth Management Agreement”	the wealth management agreement entered into between the Company and CMB dated 29 December 2017 as described in the section headed “1.9 Second CMB Wealth Management Agreement”
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third China Everbright Wealth Management Agreement”	the wealth management agreement entered into between the Company and China Everbright dated 28 December 2017 as described in the section headed “1.6 Third China Everbright Wealth Management Agreement”
“Wealth Management Agreements”	Huarong Xiangjiang Bank Wealth Management Agreement, First China Everbright Wealth Management Agreement, CGB Wealth Management Agreement, Bank of Communications Wealth Management Agreement, Second China Everbright Wealth Management Agreement, Third China Everbright Wealth Management Agreement, Fourth China Everbright Wealth Management Agreement, First CMB Wealth Management Agreement, Second CMB Wealth Management Agreement and CITIC Wealth Management Agreement

“Wealth Management Products” the wealth management products, which are principal-preservation with floating return in nature and denominated in RMB, subscribed for by the Company under the Wealth Management Agreements

“%” per cent.

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.19. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By order of the Board
Zhuzhou CRRC Times Electric Co., Ltd.
Ding Rongjun
Chairman

Zhuzhou, China, 3 January 2018

As at the date of this announcement, our chairman of the Board and executive director is Ding Rongjun, our vice chairman of the Board and executive director is Li Donglin, 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 Ouyang Minggao.

* *For identification purpose only*