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中國南車股份有限公司  
**CSR CORPORATION LIMITED**

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

**NOTICE OF FIRST CSR EGM OF 2015**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**CSR EGM**”) of CSR CORPORATION LIMITED (“**CSR**”) will be held at Empark Grand Hotel, No. 69 Banjing Road, Haidian District, Beijing, the PRC, on Monday, 9 March 2015 at 9:30 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions. Unless otherwise stated, capitalized terms used in this notice shall have the same meanings as defined in the circular of CSR dated 21 January 2015 (the “**CSR Circular**”).

**SPECIAL RESOLUTIONS**

1. “**THAT** it be and is hereby confirmed that CSR has satisfied the conditions for material assets reorganisation pursuant to the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China and the Administrative Measures for the Material Asset Reorganisation of Listed Companies.”
2. “**THAT** the Merger Proposal regarding the merger of CSR and CNR through share exchange, the details of which are set out in the CSR Circular, be and is hereby approved, ratified and confirmed:
  - (1) Parties to the Merger;
  - (2) Method of the Merger;
  - (3) Name of the Post-Merger New Company;
  - (4) Share exchange targets;
  - (5) Class and par value of the shares to be issued upon share exchange;
  - (6) Exchange Ratio and exchange price;

- (7) Protection mechanism for CSR Dissenting Shareholders;
  - (8) Protection mechanism for CNR Dissenting Shareholders;
  - (9) Arrangements for share option schemes;
  - (10) Arrangements for employees;
  - (11) Assets arrangement and issue of shares;
  - (12) Listing arrangement of the new shares to be issued under the Merger;
  - (13) Liabilities for breach of Merger Agreement;
  - (14) The Merger Agreement becoming effective;
  - (15) Implementation of the Merger; and
  - (16) Effective period of the resolution.”
3. “**THAT** the terms and conditions and the implementation of the transactions contemplated under the Merger Agreement be and is hereby approved, ratified and confirmed.”
  4. “**THAT** the Draft Report for the Merger of CSR CORPORATION LIMITED and China CNR Corporation Limited (《中國南車股份有限公司、中國北車股份有限公司合併報告書(草案)》) and its summary (the “**Report and Summary**”) be and are hereby approved, ratified and confirmed.” (Details of the Report and Summary were contained in overseas regulatory announcements of CSR published on the website of the Hong Kong Stock Exchange on or around 20 January 2015.)

5. **“THAT**

- (a) conditional upon the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in CSR H Shares, the grant of special mandate to the CSR’s Board for the issuance of CSR H Shares pursuant to the Merger Agreement as set out in the CSR Circular be and is hereby approved; and
- (b) the grant of specific mandate to the CSR’s Board for the issuance of CSR A Shares pursuant to the Merger Agreement as set out in the CSR Circular be and is hereby approved.”

6. **“THAT:**

CSR’s Board and its authorized persons be authorized to exercise full powers to deal with matters relating to the Merger, including:

- (a) to deal with specific matters relating to the Merger in accordance with the Merger Proposal considered and approved by CSR’s general meeting and shareholders’ class meeting, including but not limited to signing, executing, amending and completing all related agreements and other relevant legal documents involved in the Merger (including relevant waivers as set out in agreements required for the Merger); to carry out all procedures which are required in the course of, or necessary for the completion of, the Merger, such as all approvals, registrations, filings, ratifications, consents and notices; to engage intermediaries such as financial advisers, independent financial advisers, corporate legal advisers and audit firms for the Merger, and to authorize intermediaries such as financial advisers and their legal advisers, corporate legal advisers, audit firms and independent financial adviser to assist or represent CSR to deal with all specific matters related to the Merger, including but not limited to communication on behalf of CSR with relevant domestic and foreign regulatory bodies (including the CSRC, the SSE, the SFC, the Hong Kong Stock Exchange and other regulatory bodies) and submission of the relevant applications, and to ratify such procedures carried out and communication made with the relevant domestic and foreign regulatory departments and bodies prior to the date on which this resolution was approved; to make corresponding adjustments to the exchange price and Exchange Ratio due to any ex-rights or ex-dividend actions made to the shares of CSR between the date of announcement of the first board resolution and the Share Exchange Date and in accordance with the relevant laws and regulations or provisions or requirements of the relevant regulatory bodies, and to handle specifically matters concerning the issuance, registration, transfer and listing on the SSE and the Hong Kong Stock Exchange of related shares; to make all domestic and foreign disclosures of information relating to the Merger (including but not limited to the release of the Joint Announcement of the Merger together with CNR); to determine the implementation proposal for the put option of CSR’s Dissenting Shareholders, and to make corresponding adjustments to the exercise price of the CSR Put Option due to any ex-rights or ex-dividend

actions made to the shares of CSR between the date of announcement of the first board resolution and the Share Exchange Date and in accordance with relevant laws and regulations or provisions or requirements of the relevant regulatory bodies; to carry out procedures such as the transfer, delivery and update of assets, liabilities, businesses, qualifications, employees, contracts and all other rights and obligations involved in the Merger; to handle, in connection with the Merger, the amendment of CSR's Articles of Association, changing the company name to "CRRC Corporation Limited" (subject to the approval of SAIC and the registration with the Hong Kong Companies Registry), and other changes of business registration such as the registered capital and business scope; to deal with the change of stock codes and stock names of the Post-Merger New Company (change of the stock names and stock codes of the Post-Merger New Company are subject to further feasibility discussions), the company's new name and the related registration procedures and formalities; to engage foreign legal advisers and other intermediaries to apply to foreign antitrust review bodies for antitrust clearances, and to assist CSR in obtaining such clearances;

- (b) in compliance with relevant laws and regulations and normative documents and on the condition of not going beyond the resolution passed at the shareholders' general meeting, to make corresponding adjustments to the detailed proposal for the Merger in accordance with the actual circumstances of the Merger or pursuant to requests from relevant approval authorities and regulatory departments, or to make amendments and additions to the transaction documents relating to the Merger (other than in respect of matters which are required under relevant laws and regulations, normative documents or the Articles of Association to be re-voted on by the general meeting);
- (c) on the condition of not going beyond the resolution passed at the shareholders' general meeting, to prepare, modify and submit application documents, circular to shareholders and other related documents for the Merger in accordance with the requirements of relevant approval authorities and regulatory departments;
- (d) to assist in dealing with the delisting of CNR involved in the Merger;
- (e) to handle all other specific matters related to the Merger;
- (f) subject to CSR's Board being granted all authorizations contained in this resolution and except as otherwise provided in the relevant laws and regulations, normative documents and CSR's Articles of Association, to authorize CSR's Board to delegate the power of exercise of all authorizations contained in this resolution to the chairman Mr. Zheng Changhong and his authorized persons; and
- (g) the abovementioned authorization shall be effective for twelve months from the date of its approval by the general meeting, provided that if CSR obtains approval for the Merger from the CSRC during the period the authorization remains effective, the effective period of the authorization shall automatically be extended until the completion date of the Merger."

7. **“THAT**
- (a) prior to the Closing Date of the Merger, no ex-rights or ex-dividend actions be undertaken by CSR and CNR such as distribution of rights, conversion and capitalization of reserves into share capital and placing of shares;
  - (b) any accumulated profits of CSR and CNR which remain undistributed as at the Closing Date of the Merger be for the benefit of shareholders of the Post-Merger New Company as a whole; and
  - (c) after completion of the Merger, the Post-Merger New Company shall consider and make arrangements for the 2014 profit distribution after taking into account factors such as 2014 net profits and cash flows of CSR and CNR.”
8. **“THAT** the share option scheme adopted by CSR on 26 April 2011 for grant of share options to the participants to subscribe for CSR A shares be terminated conditional upon the completion of the Merger and the share options granted pursuant to such share option scheme but not yet vested thereunder shall terminate and not become effective and shall be cancelled accordingly.”

#### **ORDINARY RESOLUTION**

9. **“THAT** the waiver granted or to be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission pursuant to note 1 on dispensations for Rule 26 of the Hong Kong Code on Takeovers and Mergers waiving any obligation of 中國南車集團公司 (CSR Group) (**“CSRG”**), 中國北方機車車輛工業集團公司 (China Northern Locomotive and Rolling Stock Industry (Group) Corporation) (**“CNRG”**) and/or any successor entity resulting from the merger of CSRG and CNRG and their respective concert parties to make a mandatory general offer to acquire the issued shares of the Post-Merger New Company (as defined in the CSR Circular) not already owned or agreed to be acquired by CSRG, CNRG and/or any successor entity resulting from the merger of CSRG and CNRG and their respective concert parties, as a result of and after either (a) completion of the Merger; or (b) any future possible merger of CSRG and CNRG be and is hereby approved.”

Beijing, China  
21 January 2015

By Order of CSR’s Board  
**CSR CORPORATION LIMITED**  
**Zheng Changhong**  
*Chairman*

*Notes:*

1. Details of the above resolutions are set out in the CSR Circular.
2. CSR's H share register of members will be closed from Saturday, 7 February 2015 to Monday, 9 March 2015 (both dates inclusive), during which period no transfer of CSR H Shares will be registered. Holders of CSR H Shares, who intend to attend the CSR EGM shall lodge their respective transfer documents and relevant share certificates at CSR's share registrar for CSR H Shares, Computershare Hong Kong Investor Services Limited, at Rooms 1712- 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. Friday, 6 February 2015. CSR H Shareholders registered at the Computershare Hong Kong Investor Services Limited on or prior to such date are entitled to attend the CSR EGM.
3. CSR Shareholders intending to attend the CSR EGM, in person or by proxy should return the reply slip to the Board Office of CSR (for holders of CSR A Shares) or to CSR's H share registrar, Computershare Hong Kong Investor Services Limited (for holders of CSR H Shares), on or prior to Tuesday, 17 February 2015 by hand, post or fax. The address of the CSR's H share registrar, Computershare Hong Kong Investor Services Limited, is 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (telephone: (852)2862 8633).
4. In order to be valid, the instrument appointing a proxy together with the signatory's power of attorney or other authority (if any) or copies of such power of attorney or authority certified by a notary must be delivered to slip to the Board Office of CSR (for holders of CSR A Shares) or to CSR's H share registrar, Computershare Hong Kong Investor Services Limited (for holders of CSR H Shares) not less than 24 hours before the time appointed for the holding of the CSR EGM or any adjournment thereof. After completion and return of the proxy form, you may attend and vote at the CSR EGM and any adjournment thereof should you wish to.
5. A shareholder may appoint one or more proxies to attend the EGM and vote in his stead. A proxy need not be a shareholder of CSR.
6. Where there are joint registered holders of any share, any one of such persons may vote at the EGM either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the EGM personally or by proxy, then one of the persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
7. The CSR EGM is expected to last for about half a day. CSR Shareholders attending the CSR EGM in person or by proxy will be responsible for their own transportation and accommodation expenses. Shareholders or their proxies should produce identification documents when attending the CSR EGM.

*As at the date of this announcement, the Company's Board comprises Mr. Zheng Changhong, Mr. Liu Hualong and Mr. Fu Jianguo as executive directors, Mr. Liu Zhiyong as non-executive director, and Mr. Li Guo'an, Mr. Wu Zhuo and Mr. Chan Ka Keung, Peter as independent non-executive directors.*