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中國中車股份有限公司
CRRC CORPORATION LIMITED

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

2021 THIRD QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The 2021 third quarterly report of CRRC Corporation Limited (the “**Company**” or “**CRRC**”, together with its subsidiaries, the “**Group**”) is set out below. The financial report is prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and is unaudited.

By order of the Board
CRRC Corporation Limited
Sun Yongcai
Chairman

Beijing, the PRC
29 October 2021

As at the date of this announcement, the executive Directors of the Company are Mr. Sun Yongcai and Mr. Lou Qiliang; and the independent non-executive Directors are Mr. Li Guo'an, Mr. Sun Patrick, Mr Shi Jianzhong and Mr. Zhu Yuanchao.

IMPORTANT NOTICE:

The board of directors, the supervisory committee, the directors, supervisors and senior management of the Company shall warrant that the information stated in this quarterly report is true, accurate, complete and without any false representation, misleading statement or material omission, and assume several and joint liabilities.

Sun Yongcai, the Chairman of the Company, Li Zheng, the person in charge of accounting affairs, and Wang Jian, the person responsible for the accounting department (head of the accounting department), hereby warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

Whether the third quarterly financial statements of the Company have been audited.

Yes No

I. MAJOR FINANCIAL INFORMATION

(I) Principal accounting data and financial indicators

Unit: RMB'000 Currency: RMB

Item	The reporting period (July to September)	Increase/decrease in the reporting period compared with the same period of last year (%)	From beginning of the year to the end of the reporting period (January to September)	Increase/decrease from beginning of the year to end of the reporting period compared with the same period of last year(%)
Operating income	48,995,606	-13.08	144,459,621	-0.90
Net profit attributable to shareholders of the listed Company	2,471,939	-20.27	6,460,595	-4.90
Net profit after non-recurring profit or loss attributable to shareholders of the listed Company	1,827,399	-17.91	4,627,265	-12.39
Net cash flow from operating activities	–	–	-1,418,588	–
Basic earnings per share (RMB/share)	0.09	-18.18	0.23	-4.17
Diluted earnings per share (RMB/share)	0.09	-10.00	0.23	–
Return on weighted average net assets (%)	1.72	Decreased by 0.55 percentage point.	4.47	Decreased by 0.46 percentage point.
				Change as at the end of the reporting period as compared to the end of last year (%)
		As at the end of the reporting period	As at the end of last year	
Total assets		447,424,066	392,380,368	14.03
Owners' equity attributable to shareholders of the listed Company		145,471,334	143,021,347	1.71

Note: “The reporting period” refers to the three-month period from the beginning of the quarter to the end of the quarter, the same below.

(II) Non-recurring profit and loss items and amounts

Unit: RMB'000 Currency: RMB

Item	Amount for the reporting period (July to September)	Amount from the beginning of the year to the end of the reporting period (January to September)
Profit or loss on disposal of non-current assets (including the write-off of the asset impairment provision)	116,011	618,946
Government subsidies recognized in current profit or loss (excluding those closely related to the Company's normal business operations and granted on an ongoing basis under the national policies with standard amount or quantity)	319,474	1,333,400
Gain or loss on debt restructuring	–	108,318
Corporate restructuring fees such as staff settlement expenses and consolidation charges	–	-7,536
Gain or loss on changes in fair value of financial assets held-for-trading and financial liabilities held-for-trading, and investment income from disposal of financial assets held-for-trading, financial liabilities held-for-trading and available-for-sale financial assets, except for effective hedging transactions that are closely related to the Company's normal operation	125,909	208,333
Other non-operating income and expenses other than above items	139,419	-79,055
Profit and loss items falling within the meaning of non-recurring profit and loss	107,652	107,652
Effect of income tax	-92,494	-262,311
Effect of minority shareholders' interest (after tax)	-71,431	-194,417
Total	<u>644,540</u>	<u>1,833,330</u>

(III) Changes in principal accounting data and financial indicators and the reasons

Applicable Not applicable

Note: the current period in the analysis below refers to the period from January to September 2021.

1. Held-for-trading financial assets increased by 64.00%, mainly due to the increase in money funds purchased during the current period.
2. Debt investments increased by 82.51%, mainly due to the increase in interbank deposit certificates for investment.
3. Short-term borrowings increased by 68.90%, mainly due to the increase in bank borrowings by the Company to meet its daily operation and production needs during the current period.
4. Deposits from customers and interbank decreased by 31.71%, mainly due to the decrease in the amount of fund centralization during the current period.
5. Amounts received in advance decreased by 76.88%, mainly due to the write-off of finance lease receivables in advance.
6. Tax payable decreased by 36.55%, mainly due to the payment of various taxes and fees by the Company during the current period.
7. Non-current liabilities due within one year decreased by 37.81%, mainly due to the repayment of convertible bonds due within one year.
8. Other current liabilities increased by 318.20%, mainly due to the increase in super short-term financing bills issued during the current period.
9. Long-term borrowings increased by 86.46%, mainly due to the increase in long-term bank borrowings by the Company during the current period.
10. Financial expenses decreased by 35.14% as compared to the same period of last year, mainly due to the decrease in exchange losses resulted by the fluctuation of exchange rates.
11. Assets impairment losses decreased by 59.40% as compared to the same period of last year, mainly due to the decrease in the provision for impairment of goodwill during the current period.
12. The change in fair value increased by 80.42% as compared to the same period of last year, mainly due to the fluctuation of the fair value of the fund purchased.
13. The net cash flow from operating activities was a net outflow of RMB1.419 billion, representing a decrease in net outflow of RMB13.749 billion as compared to the same period of last year, mainly due to the decrease in cash paid for the purchase of goods and services received during the reporting period as compared to the same period of last year.

14. The net cash flow from investing activities was a net outflow of RMB16.618 billion, representing an increase in net outflow of RMB2.198 billion as compared to the same period of last year, mainly due to the decrease in cash received from investments during the reporting period as compared to the same period of last year.
15. The net cash flow from financing activities was a net inflow of RMB19.746 billion, representing an increase in net inflow of RMB3.373 billion as compared to the same period of last year, mainly due to the increase in cash received from capital contributions from the issuance of A shares by Times Electric, the Company's subsidiary, during the reporting period.

Operating income decreased by 0.90% as compared with the same period of last year, mainly due to the decrease in revenue from railway equipment and urban rail transit vehicle and urban infrastructure. Railway equipment business, urban rail transit vehicle and urban infrastructure business, new industry business and modern service business accounted for 36.40%, 25.89%, 33.67% and 4.04% of the operating income, respectively. Details are as follows:

Unit: RMB'000 Currency: RMB

Segment business	Operating income			
	January – September 2021	For the same period of last year	Increase/ decrease	Increase/ decrease percentage
Railway equipment	52,588,298	56,304,893	-3,716,595	-6.60%
Urban rail transit vehicle and urban infrastructure	37,401,033	39,593,921	-2,192,888	-5.54%
New industry	48,635,781	44,950,559	3,685,222	8.20%
Modern service	5,834,509	4,925,605	908,904	18.45%
Total	144,459,621	145,774,978	-1,315,357	-0.90%

Operating income from railway equipment business decreased by 6.60% as compared with the same period of last year, mainly due to the decrease in revenue from MUs and freight wagon products. Among these, revenue from locomotive business was RMB10.460 billion, revenue from passenger carriage business was RMB5.284 billion, revenue from MUs business was RMB30.423 billion, and revenue from freight wagon business was RMB6.421 billion.

Operating income from urban rail transit and urban infrastructure business decreased by 5.54% as compared with the same period of last year, mainly due to the decrease in income from urban rail transit products in the current period.

Operating income from new industry business increased by 8.20% as compared with the same period of last year, mainly due to the increase in income from components during the current period.

Operating income from modern service business increased by 18.45% as compared with the same period of last year, mainly due to the increase in income from the logistics and leasing business during the current period.

From January to September 2021, the Company's newly signed orders amounted to approximately RMB147.6 billion (of which, contracted sales generated by the international businesses amounted to approximately RMB21.1 billion).

II. SHAREHOLDER INFORMATION

(I) Number of common shareholders and preferred shareholders with voting rights resumed and shareholding of the top ten shareholders

Unit: Shares

Total number of shareholders of ordinary shares as at the end of the reporting period ^{Note1}	724,911	Total number of shareholders of preference shares with voting rights resumed as at the end of the reporting period (if any)	-
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Particulars of shareholdings of the top ten shareholders

Name of shareholders	Nature of shareholders	Number of shares held	Percentage of shareholding (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen	
					Status of shares	Number
CRRC GROUP Co., Ltd. ^{Note2}	State-owned legal person	14,558,389,450	50.73	-	Nil	-
HKSCC NOMINEES LIMITED ^{Note3}	Overseas legal person	4,358,735,154	15.19	-	Unknown	-
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	State-owned legal person	605,663,637	2.11	-	Unknown	-
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	State-owned legal person	304,502,100	1.06	-	Unknown	-
Hong Kong Securities Clearing Company Limited	Overseas legal person	245,717,219	0.86	-	Unknown	-
Bosera Funds – Agricultural Bank of China – Bosera China Securities and Financial Assets Management Plan (博時基金－農業銀行－博時中證金融資產管理計劃)	Unknown	234,982,900	0.82	-	Unknown	-
E Fund – Agricultural Bank of China – E Fund China Securities and Financial Assets Management Plan (易方達基金－農業銀行－易方達中證金融資產管理計劃)	Unknown	234,982,900	0.82	-	Unknown	-
Dacheng Fund – Agricultural Bank of China – Dacheng China Securities and Financial Assets Management Plan (大成基金－農業銀行－大成中證金融資產管理計劃)	Unknown	234,982,900	0.82	-	Unknown	-

Name of shareholders	Nature of shareholders	Number of shares held	Percentage of shareholding (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen	
					Status of shares	Number
Harvest Fund – Agricultural Bank of China – Harvest China Securities and Financial Assets Management Plan (嘉實基金－農業銀行－嘉實中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–
GF Fund – Agricultural Bank of China – GF China Securities and Financial Assets Management Plan (廣發基金－農業銀行－廣發中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–
Zhong'ou Asset – Agricultural Bank of China – Zhong'ou China Securities and Financial Assets Management Plan (中歐基金－農業銀行－中歐中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–
China AMC – Agricultural Bank of China – China AMC China Securities and Financial Assets Management Plan (華夏基金－農業銀行－華夏中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–
Yinhua Fund – Agricultural Bank of China – Yinhua China Securities and Financial Assets Management Plan (銀華基金－農業銀行－銀華中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–
China Southern Asset Management – Agricultural Bank of China – China Southern Asset Management China Securities and Financial Assets Management Plan (南方基金－農業銀行－南方中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–
ICBCCS Fund – Agricultural Bank of China – ICBCCS China Securities and Financial Assets Management Plan (工銀瑞信基金－農業銀行－工銀瑞信中證金融資產管理計劃)	Unknown	234,982,900	0.82	–	Unknown	–

**Particulars of shareholdings of the top ten shareholders
not subject to trading moratorium**

Name of shareholders	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
CRRC GROUP Co., Ltd. ^{Note2}	14,558,389,450	Ordinary shares denominated in RMB	14,558,389,450
HKSCC NOMINEES LIMITED ^{Note3}	4,358,735,154	Overseas listed foreign invested shares	4,358,735,154
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	605,663,637	Ordinary shares denominated in RMB	605,663,637
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	304,502,100	Ordinary shares denominated in RMB	304,502,100
Hong Kong Securities Clearing Company Limited	245,717,219	Ordinary shares denominated in RMB	245,717,219
Bosera Funds – Agricultural Bank of China – Bosera China Securities and Financial Assets Management Plan (博時基金－農業銀行－博時中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
E Fund – Agricultural Bank of China – E Fund China Securities and Financial Assets Management Plan (易方達基金－農業銀行－易方達中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
Dacheng Fund – Agricultural Bank of China – Dacheng China Securities and Financial Assets Management Plan (大成基金－農業銀行－大成中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
Harvest Fund – Agricultural Bank of China – Harvest China Securities and Financial Assets Management Plan (嘉實基金－農業銀行－嘉實中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
GF Fund – Agricultural Bank of China – GF China Securities and Financial Assets Management Plan (廣發基金－農業銀行－廣發中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
Zhong'ou Asset – Agricultural Bank of China – Zhong'ou China Securities and Financial Assets Management Plan (中歐基金－農業銀行－中歐中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
China AMC – Agricultural Bank of China – China AMC China Securities and Financial Assets Management Plan (華夏基金－農業銀行－華夏中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
Yinhua Fund – Agricultural Bank of China – Yinhua China Securities and Financial Assets Management Plan (銀華基金－農業銀行－銀華中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
China Southern Asset Management – Agricultural Bank of China – China Southern Asset Management China Securities and Financial Assets Management Plan (南方基金－農業銀行－南方中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900
ICBCCS Fund – Agricultural Bank of China – ICBCCS China Securities and Financial Assets Management Plan (工銀瑞信基金－農業銀行－工銀瑞信中證金融資產管理計劃)	234,982,900	Ordinary shares denominated in RMB	234,982,900

Related party relationship or acting in concert among the above shareholders	N/A
Top ten shareholders and top ten shareholders not subject to trading moratorium participating in margin trading and short selling and refinancing business, if any	N/A

Note 1: As at the end of the reporting period, the Company has 722,225 holders of A shares and 2,686 registered holders of H shares.

Note 2: Within 12 months since 10 November 2020, CRRC GROUP Co., Ltd. has increased its shareholding of H shares in the Company via the Shanghai-Hong Kong Stock Connect trading system when appropriate. For details, please refer to the “Voluntary Announcement in relation to Increase of Shareholding by the Controlling Shareholder” of the Company dated 10 November 2020. As of the end of the reporting period, the increased shareholding of 177,863,000 H shares by CRRC GROUP Co., Ltd. were registered under the name of HKSCC NOMINEES LIMITED. As of the end of the reporting period, CRRC GROUP Co., Ltd. in aggregate held 14,736,252,450 shares (including 14,558,389,450 A shares and 177,863,000 H shares), representing approximately 51.35% of the total number of issued shares of the Company.

Note 3: The H shares held by HKSCC NOMINEES LIMITED are held on behalf of various clients.

III. OTHER REMINDERS

Other important information that needs to be brought to the attention of investors in relation to the Company’s operations during the reporting period

Applicable Not applicable

1. Major related-party transactions

On 18 July 2021, Zhuzhou Locomotive, a wholly-owned subsidiary of the Company, entered into the “Agreement between CRRC Zhuzhou Electric Locomotive Industrial Management Co., Ltd. and CRRC Zhuzhou Locomotive Co., Ltd. in relation to the entrustment of 100% equity interest in CRRC ZELC SA PTY LTD”. (hereinafter referred to as the “**Entrustment Agreement**”) with CRRC Zhuzhou Electric Locomotive Industrial Management Co., Ltd. (hereinafter referred to as the “**Zhuzhou Locomotive Industrial**”), a wholly-owned subsidiary of CRRC GROUP, to entrust the management of its 100% equity interest in CRRC ZELC SA PTY LTD. (hereinafter referred to as “**ZELC SA PTY**”) to Zhuzhou Locomotive Industrial. Following the completion of the entrustment, ZELC SA PTY is no longer included in the Company’s consolidated financial statements. In order to avoid the possible capital appropriation by related-parties arising from the entrustment, Zhuzhou Locomotive transferred the entire creditor’s rights of ZELC SA PTY and its holding subsidiaries to Zhuzhou Locomotive Industrial, and

Zhuzhou Locomotive has entered into the Creditor's Rights Transfer Agreement with Zhuzhou Locomotive Industrial. Prior to the entrustment, Zhuzhou Locomotive provided guarantees for the performance obligations under the Locomotive Supply Contracts of the holding subsidiaries of ZELC SA PTY. Upon the completion of the entrustment, Zhuzhou Locomotive will continue to provide guarantees for the performance of the contracts of the holding subsidiaries of ZELC SA PTY and at the same time, CRRC GROUP will provide a counter guarantee for Zhuzhou Locomotive and CRRC GROUP has entered into the Counter Guarantee Agreement with Zhuzhou Locomotive. The above matters were considered and approved at the 30th meeting of the 2nd session of the Board of Directors of the Company, details of which are set out in the "Announcement of CRRC on Assets Entrustment Related Matters and Related-party Transactions" dated 18 July 2021 published by the Company.

2. Changes in senior management

On 11 August 2021, the Board of Directors of the Company received a resignation report from Mr. Xie Jilong, the Secretary to the Board of Directors. Mr. Xie Jilong resigned as the Secretary to the Board of Directors and Joint Company Secretary of the Company due to adjustment of work arrangements. During the vacancy of office of the Secretary to the Board of Directors, the Board of Directors has appointed Ms. Li Zheng, the Chief Financial Officer (Chief Accountant), to act as the Secretary to the Board of Directors. On 15 October 2021, the Company held the 34th meeting of the 2nd session of the Board of Directors and agreed to appoint Mr. Wang Jian as the Secretary to the Board of Directors of the Company for a term commencing from the date on which the resolution was considered and approved at the Board of Directors and ended on the date of expiry of the term of office of the 2nd session of the Board of Directors.

On 27 August 2021, the Board of Directors of the Company received a resignation report from Mr. Sun Yongcai, the President of the Company. Mr. Sun Yongcai resigned as the President of the Company and the authorised representative of the Company under Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited due to adjustment of work arrangements and will continue to serve as the Chairman and Executive Director of the Company after his resignation. On 27 August 2021, the Company held the 32nd meeting of the 2nd session of the Board of Directors, which resolved to appoint Mr. Lou Qiliang as the President of the Company and the authorised representative under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for a term commencing from the date on which the resolution was considered and approved at the Board of Directors and ended on the date of expiry of the term of office of the 2nd session of the Board of Directors.

3. Debt financing instruments

From January to September 2021, the Company issued 19 Super Short-term Financing Bills with a size of RMB46 billion, 15 of which were redeemed with a size of RMB37 billion and a balance of RMB9 billion; redeemed 1 corporate bond with a size of approximately RMB600 million and a balance of RMB2.5 billion; issued 4 tranches of asset-backed commercial paper (ABCP) with a size of approximately RMB11.6 billion, 4 of which were redeemed with a size of approximately RMB11.6 billion and a balance of approximately RMB3.1 billion; and redeemed 1 tranche of asset-backed notes (ABN) with a size of approximately RMB3.1 billion and a balance of RMB0 billion.

IV. QUARTERLY FINANCIAL STATEMENTS

(1) Type of Audit Opinion

Applicable Not applicable

(2) Financial Statements

Consolidated Balance Sheet

30 September 2021

Prepared by: CRRC Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	30 September 2021	31 December 2020
Current assets:		
Cash and bank balances	43,183,808	33,492,359
Held-for-trading financial assets	9,511,010	5,799,390
Bills receivable	16,471,150	12,779,393
Accounts receivable	93,112,024	71,969,626
Financing receivable	6,508,622	8,164,214
Prepayments	9,163,367	8,481,942
Other receivables	3,781,631	4,711,395
Inventories	78,367,651	62,966,123
Contract assets	21,937,695	18,885,381
Held-for-sale assets	16,586	9,877
Non-current assets due within one year	16,496,326	17,124,785
Other current assets	3,973,980	5,342,740
Total current assets	302,523,850	249,727,225

Item	30 September 2021	31 December 2020
Non-current assets:		
Debt investments	2,133,524	1,169,010
Long-term receivables	11,193,616	13,248,792
Long-term equity investments	17,204,949	16,119,503
Investment in other equity instruments	2,743,096	2,662,850
Other non-current financial assets	589,268	578,293
Investment properties	794,187	1,065,399
Fixed assets	56,719,753	57,970,551
Construction in progress	8,032,615	8,675,163
Right-of-use assets	1,298,849	1,449,416
Intangible assets	15,860,005	16,024,380
Development expenditures	492,732	444,024
Goodwill	326,376	328,749
Long-term prepaid expenses	216,101	225,532
Deferred tax assets	3,787,991	3,631,981
Other non-current assets	23,507,154	19,059,500
Total non-current assets	144,900,216	142,653,143
Total assets	447,424,066	392,380,368
Current liabilities:		
Short-term borrowings	19,900,060	11,782,170
Bills payable	25,812,816	22,291,992
Accounts payable	128,379,181	106,572,210
Receipts in advance	49,232	212,951
Contract liabilities	28,020,265	27,841,813
Financial assets sold under agreements to repurchase	1,380,000	-
Borrowings from the central bank	966,549	-
Deposits from customers and interbank	2,815,337	4,122,366
Employee benefits payable	2,404,559	1,972,045
Tax payable	1,470,803	2,318,069
Other payables	11,290,330	9,950,181
Non-current liabilities due within one year	4,706,959	7,569,139
Other current liabilities	11,960,429	2,859,975
Total current liabilities	239,156,520	197,492,911

Item	30 September 2021	31 December 2020
Non-current liabilities:		
Long-term borrowings	7,836,125	4,202,602
Bonds payable	2,500,000	2,500,000
Lease liabilities	1,077,290	1,292,313
Long-term payables	21,369	64,758
Long-term employee benefits payable	3,391,221	3,480,229
Provisions	7,601,523	7,205,296
Deferred income	6,521,584	6,751,075
Deferred tax liabilities	158,290	163,231
Other non-current liabilities	81,068	86,389
 Total non-current liabilities	 29,188,470	 25,745,893
 Total liabilities	 268,344,990	 223,238,804
Owners' equity (or shareholders' equity):		
Paid-in capital (or Share Capital)	28,698,864	28,698,864
Capital reserve	42,105,534	40,957,401
Other comprehensive income	-1,299,981	-1,292,910
Special reserve	49,958	49,957
Surplus reserve	4,308,789	4,308,789
General risk reserve	562,410	562,411
Retained earnings	71,045,760	69,736,835
Total equity attributable to shareholders of the Company	145,471,334	143,021,347
Non-controlling interest	33,607,742	26,120,217
 Total owners' equity (or shareholders' equity)	 179,079,076	 169,141,564
 Total liabilities and owners' equity (or shareholders' equity)	 447,424,066	 392,380,368
Chairman of the Company: Sun Yongcai	Chief Accounting Officer: Li Zheng	Head of Accounting Department: Wang Jian

Consolidated Income Statement

January to September 2021

Prepared by: CRRC Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	For the first three quarters of 2021 (January to September)	For the first three quarters of 2020 (January to September)
I. Total operating income	144,459,621	145,774,978
II. Total operating costs	137,250,385	137,127,048
Including: Operating costs	113,868,986	113,767,185
Tax and levies	1,035,460	1,064,252
Selling expenses	5,227,583	4,922,562
Administrative expenses	9,050,346	8,901,294
Research and development expenses	7,556,889	7,683,756
Financial expenses	511,121	787,999
Add: Other income	909,469	962,676
Investment income (Loss denoted with “-”)	300,302	284,587
Including: Gains from derecognition of financial assets measured at amortised cost	-78,675	-88,782
Gains from changes in fair value (Loss denoted with “-”)	111,406	61,749
Credit impairment losses (Loss denoted with “-”)	-374,681	-495,077
Assets impairment losses (Loss denoted with “-”)	-123,538	-304,254
Gains on disposal of assets (Loss denoted with “-”)	618,946	658,075
III. Operating profit (Loss denoted with “-”)	8,651,140	9,815,686
Add: Non-operating income	914,249	868,737
Less: Non-operating expenses	459,290	633,900
IV. Total profit (Total loss denoted with “-”)	9,106,099	10,050,523
Less: Income tax expenses	1,324,080	1,743,057
V. Net profit (Net loss denoted with “-”)	7,782,019	8,307,466
(I) Net profit classified by operating continuity		
1. Net profit from continuing operations (Net loss denoted with “-”)	7,782,019	8,307,466
(II) Net profit classified by ownership ascription		
1. Net profit attributable to shareholders of the Company (Net loss denoted with “-”)	6,460,595	6,793,205
2. Net profit attributable to non-controlling interests (Net loss denoted with “-”)	1,321,424	1,514,261

Item	For the first three quarters of 2021 (January to September)	For the first three quarters of 2020 (January to September)
VI. Other comprehensive income, net of tax	-49,990	-139,882
(I) Other comprehensive income attributable to owners of the Company, net of tax	-7,071	-114,591
1. Other comprehensive income that will not be reclassified to profit or loss	18,434	-66,653
(1) Changes in defined contribution plan due to re-measurement	-5,050	-1,939
(2) Changes in fair value of investment in other equity instruments	23,484	-64,714
2. Other comprehensive income that may be reclassified to profit or loss	-25,505	-47,938
(1) Other comprehensive income that may be reclassified to profit or loss under equity method	13,955	-30,455
(2) Changes in fair value of other debt investments	3,819	87,509
(3) Credit impairment provision for other debt investments	-2,342	397
(4) Translation differences of financial statements denominated in foreign currencies	-40,937	-105,389
(II) Other comprehensive income attributable to non-controlling interests, net of tax	-42,919	-25,291
VII. Total comprehensive income	7,732,029	8,167,584
(I) Total comprehensive income attributable to shareholders of the Company	6,453,524	6,678,613
(II) Total comprehensive income attributable to non-controlling interests	1,278,505	1,488,971
VIII. Earnings per share		
(I) Basic earnings per share (RMB/share)	0.23	0.24
(II) Diluted earnings per share (RMB/share)	0.23	0.23

Chairman of the Company:
Sun Yongcai

Chief Accounting Officer:
Li Zheng

Head of Accounting Department:
Wang Jian

Consolidated Statement of Cash Flows

January to September 2021

Prepared by: CRRC Corporation Limited

Unit: RMB'000 Currency: RMB Type of Audit: Unaudited

Item	For the first three quarters of 2021 (January to September)	For the first three quarters of 2020 (January to September)
I. Cash flows from operating activities:		
Cash receipts from sale of goods and the rendering of services	130,069,380	141,880,951
Net increase in deposits from banks and other financial institutions	861,756	–
Net increase in borrowings from central bank	966,549	426,842
Net decrease in lending funds	–	139,524
Receipts of tax refunds	1,035,634	1,015,659
Other cash receipts relating to operating activities	2,632,946	2,708,406
Cash inflows from operating activities – subtotal	135,566,265	146,171,382
Cash payments for goods purchased and services received	99,351,869	124,219,452
Net decrease in deposits from banks and other financial institutions	1,307,029	2,619,971
Cash payments to and on behalf of employees	20,492,333	18,593,200
Payments of various types of taxes	7,286,798	7,585,844
Other cash payments relating to operating activities	8,546,824	8,320,922
Cash outflows from operating activities – subtotal	136,984,853	161,339,389
Net cash flow from operating activities	-1,418,588	-15,168,007
II. Cash flows from investment activities:		
Cash receipts from disposals and recovery of investments	35,684,511	40,250,100
Cash receipts from investment income	598,747	482,004
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	748,117	225,291
Net cash receipts from disposal of subsidiaries and other business units	146,651	11,930
Cash inflows from investment activities – subtotal	37,178,026	40,969,325
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	4,123,272	5,302,846
Cash paid for investments	49,672,880	50,086,106
Cash outflows from investment activities – subtotal	53,796,152	55,388,952
Net cash flow from investment activities	-16,618,126	-14,419,627

Item	For the first three quarters of 2021 (January to September)	For the first three quarters of 2020 (January to September)
III. Cash flows from financing activities:		
Cash receipts from capital contributions	8,148,818	77,985
Including: Cash receipts from capital contributions by non-controlling interests of subsidiaries	8,148,818	77,985
Cash receipts from borrowings	33,562,103	32,164,641
Cash receipts from bonds issuing	46,200,000	46,700,000
Other cash receipts relating to financing activities	1,140,500	-
Cash inflows from financing activities – subtotal	89,051,421	78,942,626
Cash repayment of borrowings	62,605,308	57,537,379
Cash paid for distribution of dividends, profit or settlement of interest expenses	6,314,142	4,947,520
Including: Dividends and profits paid to non-controlling interests of subsidiaries	436,543	363,791
Other cash payments relating to financing activities	385,681	84,634
Cash outflows from financing activities – subtotal	69,305,131	62,569,533
Net cash flow generated from financing activities	19,746,290	16,373,093
IV. Effects of foreign exchange rate changes on cash and cash equivalents	-279,898	-450,370
V. Net increase in cash and cash equivalents	1,429,678	-13,664,911
Add: Opening balance of cash and cash equivalents	29,840,378	35,819,586
VI. Closing balance of cash and cash equivalents	31,270,056	22,154,675

Chairman of the Company:
Sun Yongcai

Chief Accounting Officer:
Li Zheng

Head of Accounting Department:
Wang Jian

(3) Adjustments to financial statements for the initial application of new lease standards for the year 2021

Applicable Not applicable

Announcement is hereby given.

The Board of Directors of CRRC Corporation Limited
29 October 2021