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中國中鐵股份有限公司
CHINA RAILWAY GROUP LIMITED

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

(Stock Code: 390)

**RESULTS ANNOUNCEMENT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

The Board of Directors of China Railway Group Limited (the “**Company**”) announces the unaudited results (the “**Third Quarterly Results**”) of the Company and its subsidiaries for the third quarter ended 30 September 2022, which have been prepared in accordance with the Accounting Standards for Business Enterprises of the PRC. This announcement is made in accordance with Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

1 IMPORTANT NOTICE

- 1.1** The Board of Directors and the Supervisory Committee of the Company and its directors, supervisors and senior management warrant that there are no false presentations or misleading statements contained in, or material omissions from, this report, and severally and jointly accept legal responsibility for the authenticity, accuracy and completeness of the information contained in this quarterly report.
- 1.2** The person in charge of the Company, the person in charge of accounting affairs and the person in charge of the accounting department (head of accounting), hereby warrant the authenticity, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.3** The third quarterly report of the Company has not been audited.

2 MAIN FINANCIAL DATA

2.1 Main Accounting Data and Financial Indicators

Unit: '000 Currency: RMB

Item	Reporting Period	Change compared with the same period of previous year (%)	From the beginning of the year to the end of the Reporting Period	Change compared with the same period of previous year (%)
			Reporting Period	
Revenue	288,780,366	6.44	848,184,880	10.45
Net profit attributable to shareholders of the Company	7,890,441	4.50	23,016,392	11.48
Net profit attributable to shareholders of the Company excluding non-recurring gains and losses	7,333,609	-2.54	21,161,299	9.48
Net cash generated from operating activities	N/A	N/A	-28,790,139	N/A
Basic earnings per share (RMB/share)	0.320	15.52	0.871	19.15
Diluted earnings per share (RMB/share)	0.320	15.52	0.871	19.15
Weighted average net assets yield (%)	3.04	Increased by 0.08 percentage point	8.82	Increased by 0.60 percentage point
		At the end of the Reporting Period	At the end of previous year	Change compared with the end of previous year (%)
Total assets		1,570,716,038	1,361,726,183	15.35
Owners' equity attributable to shareholders of the Company		295,182,782	275,270,856	7.23

Note: **Reporting Period** refers to the three months as from the beginning of the third quarter to the end of the third quarter

2.2 Non-recurring Profit and Loss Items and Amount:

Unit: '000 Currency: RMB

Item	Reporting Period	From the beginning of the year to the end of the Reporting Period
Gains or losses from the disposal of non-current assets	-41,742	17,339
Government grant as included in profit and loss of current period (excluding those closely relating to business of company and subject to a fixed amount or norm under the national policy)	223,002	892,266
Interest income received from non-financial enterprises as included in profit and loss of current period	365,584	686,701
Debt restructuring gains and losses	16,386	17,424
Gains or losses on changes in fair value arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities and derivative financial liabilities (excluding the valid hedging business relating to the Company's normal business), as well as investment gains from disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investments	7,673	-258,234
Reversal of impairment of trade receivables and contract assets under individual impairment testing	113,650	510,372
Impact of one-off adjustments to profit and loss of the current period as required by taxation and accounting laws and regulations on profit and loss of the current period	0	503,761
Other net non-operating income and expenses	44,981	60,823
Less: Impact of income tax	158,947	529,533
Impact of minority interests (after tax)	13,755	45,826
Total	<u>556,832</u>	<u>1,855,093</u>

Explanations on Defining Non-recurring items as Recurring items in Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities – Non-recurring Profit and Loss

Not applicable

2.3 Reason for the Change in Main Accounting Data and Financial Indicators

Item	Change (%)	Main Reason
Net cash generated from operating activities – from the beginning of the year to the end of the Reporting Period	N/A	The Company actively took advantage of the steady growth measures adopted by the government to accelerate the recovery of funds, and at the same time, the Company strengthened its control over cash flow to improve its financial situation.

3 SHAREHOLDER INFORMATION

Total number of shareholders with ordinary shares at the end of the Reporting Period	502,755
Total number of shareholders with preemptive shares with voting rights resumed at the end of the Reporting Period (if any)	0

Particulars of shareholdings of top ten shareholders

Unit: Share

Name of shareholder	Nature of the shareholder	Number of shares	Shareholding percentage (%)	Number of shares with selling restrictions	Status of pledged/ labeled/frozen shares	Status of shares	Number of shares
China Railway Engineering Group Company Limited (“CREC”) (Note 3)	State-owned legal entity	11,623,119,890	46.98	0	None	None	0
HKSCC Nominees Limited (Note 1)	Other	4,009,768,962	16.21	0	None	None	0
Hong Kong Securities Clearing Company Limited (Note 2)	Other	651,863,075	2.63	0	None	None	0
China Securities Finance Corporation Limited	State-owned legal entity	619,264,325	2.50	0	None	None	0
China Reform Holdings Corporation Ltd.	State-owned legal entity	387,050,131	1.56	0	None	None	0

Name of shareholder	Nature of the shareholder	Number of shares	Shareholding percentage (%)	Number of shares with selling restrictions	Status of pledged/ labeled/frozen shares	Status of shares	Number of shares
Central Huijin Asset Management Ltd.	State-owned legal entity	230,435,700	0.93	0	None		0
China Great Wall Asset Management Co., Ltd.	State-owned legal entity	176,804,035	0.71	0	None		0
China Orient Asset Management Co., Ltd.	State-owned legal entity	171,720,124	0.69	0	None		0
Bank of Communications Co., Ltd. – GF CSF Infrastructure Engineering Traded Open-ended Index Securities Investment Fund	Other	162,435,200	0.66	0	None		0
Bosera Funds – Agricultural Bank of China – Bosera CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
E Fund – Agricultural Bank of China – E Fund CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
Dacheng Fund – Agricultural Bank of China – Dacheng CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
Harvest Fund – Agricultural Bank of China – Harvest CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
GF Fund – Agricultural Bank of China – GF CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
Zhong Ou Fund – Agricultural Bank of China – Zhong Ou CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
Huaxia Fund – Agricultural Bank of China – Huaxia CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
Yinhua Fund – Agricultural Bank of China – Yinhua CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0
Southern Fund – Agricultural Bank of China – Southern CSF Financial Asset Management Plan	Other	131,135,600	0.53	0	None		0

Particulars of shareholding of the top ten shareholders without selling restrictions

Unit: Share

Name of shareholder	Number of tradable shares held without selling restrictions	Type and quantity of share	
		Type of shares	Quantity
CREC (Note 3)	11,458,725,890	RMB-dominated ordinary shares	11,458,725,890
	164,394,000	Overseas listed foreign shares	164,394,000
HKSCC Nominees Limited (Note 1)	4,009,768,962	Overseas listed foreign shares	4,009,768,962
Hong Kong Securities Clearing Company Limited (Note 2)	651,863,075	RMB-dominated ordinary shares	651,863,075
China Securities Finance Corporation Limited	619,264,325	RMB-dominated ordinary shares	619,264,325
China Reform Holdings Corporation Ltd.	387,050,131	RMB-dominated ordinary shares	387,050,131
Central Huijin Asset Management Ltd	230,435,700	RMB-dominated ordinary shares	230,435,700
China Great Wall Asset Management Co., Ltd	176,804,035	RMB-dominated ordinary shares	176,804,035
China Orient Asset Management Co., Ltd.	171,720,124	RMB-dominated ordinary shares	171,720,124
Bank of Communications Co., Ltd. – GF CSF Infrastructure Engineering Traded Open – ended Index Securities Investment Fund	162,435,200	RMB-dominated ordinary shares	162,435,200
Bosera Funds – Agricultural Bank of China – Bosera CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
E Fund – Agricultural Bank of China – E Fund CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Dacheng Fund – Agricultural Bank of China – Dacheng CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600

Name of shareholder	Number of tradable shares held without selling restrictions	Type and quantity of share	
		Type of shares	Quantity
Harvest Fund – Agricultural Bank of China – Harvest CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
GF Fund – Agricultural Bank of China – GF CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Zhong Ou Fund – Agricultural Bank of China – Zhong Ou CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Huaxia Fund – Agricultural Bank of China – Huaxia CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Yinhua Fund – Agricultural Bank of China – Yinhua CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Southern Fund – Agricultural Bank of China – Southern CSF Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Statement on the related relations and acting-in-concert relationships among the shareholders above	CREC, the largest shareholder of the Company, does not have connected relations or have acting-in-concert relationships with the above other shareholders. The Company is not aware of any related relationships or acting-in-concert relationships among the other above shareholders		
Explanation on the participation in margin trading and refinancing business of the top ten shareholders and the top ten shareholders not subject to selling restrictions (if any)	N/A		

Notes:

1. *H shares held by HKSCC Nominees Limited are held on behalf of its various clients, and the number has deducted the number of H shares held by CREC.*
2. *A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of its various clients.*
3. *On October 1, 2022, the Company disclosed the Announcement Regarding the Implementation and Completion of the Plan on Increase in Shareholding of the Company by the Controlling Shareholder (“Shareholding Increase Plan”) (Lin 2022-044). From 31 March 2022 to 30 September 2022, CREC cumulatively acquired a total of 24,355,500 A shares, representing approximately 0.0984% of the total share capital of the Company. As of 30 September 2022, the Shareholding Increase Plan had been completed. CREC holds 11,623,119,890 shares of the Company (including 11,458,725,890 A shares and 164,394,000 H shares), representing approximately 46.98% of the total share capital of the Company.*
4. *The numbers shown in the table are based on the register of member of the Company as at 30 September 2022.*

4 OTHER MAJOR INFORMATION

4.1 Macro-economic Situation

Since the beginning of this year, China’s economy has fluctuated monthly due to some unexpected factors such as external environment, epidemic situation and extreme weather. However, with the steady progress in the efficient overall co-ordination of the epidemic prevention and control as well as the economic and social development in China, the continuous exertion of a package of policies for stabilizing the economy and the decisive introduction of successive policies, the Chinese economy has stabilized and rebounded, demonstrating great resilience and huge potential. Due to the impact of environmental changes at home and abroad, there are still some prominent contradictions and problems in China’s economic operation at present, and the economic development still faces many difficulties and challenges. However, the accelerated construction of a modern comprehensive three-dimensional transportation system and a modern energy system as well as the leapfrog improvement of infrastructure at the overall level have strongly supported and ensured the economic and social development. So far this year, RMB3.52 trillion of special bond quota for project construction has been issued ahead of schedule at the end of August, and over RMB600 billion of policy-based developmental financial instruments has been released, effectively supporting the infrastructure construction in key areas, and the accelerated recovery of investment in infrastructure construction has played a positive role in expanding effective investment and helping to stabilize the economy.

4.2 Overall Operation of the Company

4.2.1 Value of New Contracts

Value of New Contracts for the First Three Quarters of 2022

Unit: '00 million Currency: RMB

Business segments		January to September of 2022	January to September of 2021	Increase/ decrease year-on-year
Infrastructure construction		17,523.5	12,688.2	38.1%
Among which	Railway	1,579.4	2,068.3	-23.6%
	Highway	2,485.5	1,591.3	56.2%
	Municipal works and others	13,458.6	9,028.6	49.1%
Survey, design and consulting services		241.9	146.8	64.8%
Engineering equipment and component manufacturing		443.3	429.8	3.1%
Property development (<i>Note</i>)		411.4	438.9	-6.3%
Others		1,210.7	959.8	26.1%
Total		<u>19,830.8</u>	<u>14,663.5</u>	<u>35.2%</u>
Among which	Domestic	18,718.7	13,856.9	35.1%
	Overseas	<u>1,112.1</u>	<u>806.6</u>	<u>37.9%</u>

Note: the value of new contracts for property development refers to the contract value of the property sales contract of the Company.

4.2.2 Value of Contracts Backlog

As at the end of September, the Company's contract backlog amounted to RMB5,532.84 billion, representing an increase of 21.7% as compared with that as at the end of last year, among which RMB5,082.55 billion was from infrastructure construction business, which represented an increase of 20.7% as compared with that as at the end of last year; RMB59.24 billion was from survey, design and consulting services business, which represented an increase of 19.0% as compared with that as at the end of last year; RMB127.74 billion was from engineering equipment and component manufacturing business, which represented an increase of 30.9% as compared with that as at the end of last year.

4.2.3 Operation Performance

In the first three quarters of 2022, the Company achieved total operating revenue of RMB850.052 billion, representing a year-on-year increase of 10.37%, and the overall gross profit margin was 9.02%, representing a year-on-year decrease of 0.32 percentage point. In particular:

Unit: '00 million Currency: RMB

Business segments	Total operating revenue	Increase/decrease year-on-year	Gross profit margin	Increase/decrease year-on-year
Infrastructure construction	7,340.21	7.49%	7.85%	Decreased by 0.02 percentage point
Survey, design and consulting services	128.11	8.16%	27.34%	Increased by 2.86 percentage point
Engineering equipment and component manufacturing	181.38	-3.50%	20.08%	Increased by 3.06 percentage point
Property development	342.09	56.50%	12.86%	Decreased by 10.46 percentage point
Others	508.73	45.88%	14.78%	Decreased by 5.39 percentage point
Total	8,500.52	10.37%	9.02%	Decreased by 0.32 percentage point

5 APPENDIX – FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES OF THE PRC

Financial statements prepared in accordance with the Accounting Standards for Business Enterprises of the PRC are set out in the appendix to this announcement.

6 PUBLICATION OF THE THIRD QUARTERLY RESULTS ANNOUNCEMENT

This announcement is simultaneously available on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.crec.cn. The third quarterly report of 2022 prepared in accordance with the Accounting Standards for Business Enterprises of the PRC will also be available on the website of the Shanghai Stock Exchange at www.sse.com.cn and the website of the Company at www.crec.cn.

By Order of the Board
China Railway Group Limited
Chen Yun
Chairman

28 October 2022

As at the date of this announcement, the executive directors of the Company are Mr. CHEN Yun (Chairman), Mr. CHEN Wenjian and Mr. WANG Shiqi; the non-executive director of the Company is Mr. WEN Limin; the independent non-executive directors of the Company are Mr. CHUNG Shui Ming Timpson, Mr. ZHANG Cheng and Mr. XIU Long.

APPENDIX

I TYPE OF AUDIT OPINION

Not applicable

II FINANCIAL STATEMENTS

Consolidated Balance Sheet

30 September 2022

Prepared by China Railway Group Limited

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

Item	30 September 2022	31 December 2021
Current assets:		
Cash and cash equivalents	186,270,888	178,912,750
Trading financial assets	7,368,201	7,154,251
Derivative financial assets	149,399	149,399
Bills receivables	2,961,874	4,949,677
Accounts receivables	151,606,712	122,120,354
Accounts receivables financing	439,885	526,055
Advances to suppliers	56,431,416	47,765,130
Other receivables	38,994,039	32,549,329
Among which: Interests receivables	1,099,999	1,021,505
Dividends receivables	70,431	15,748
Inventories	224,860,444	203,445,797
Contract assets	166,978,058	149,141,915
Non-current assets due within one year	8,187,104	9,831,049
Other current assets	55,307,602	44,242,190
Total current assets	899,555,622	800,787,896

Consolidated Balance Sheet (Continued)

Item	30 September 2022	31 December 2021
Non-current assets:		
Debt investments	20,245,447	22,959,756
Long-term receivables	15,461,841	14,617,964
Long-term equity investments	103,624,017	96,160,248
Investments in other equity instruments	13,632,729	12,163,573
Other non-current financial assets	18,297,613	12,294,385
Investment properties	14,032,572	14,016,218
Fixed assets	66,754,068	67,550,916
Construction in progress	43,502,360	6,847,368
Right-of-use assets	1,677,518	1,658,836
Intangible assets	154,216,048	125,624,762
Development expenditures	262,146	203,013
Goodwill	1,771,251	1,567,879
Long-term deferred expenses	1,156,246	1,160,284
Deferred income tax assets	11,625,751	10,372,049
Other non-current assets	204,900,809	173,741,036
Total non-current assets	671,160,416	560,938,287
Total assets	1,570,716,038	1,361,726,183
Current liabilities:		
Short-term borrowings	90,321,689	52,843,114
Trading financial liabilities	36,074	53,857
Derivative financial liabilities	68,102	68,102
Bills payables	90,490,123	84,917,323
Accounts payables	348,039,426	320,602,726
Advances from customers	1,029,777	446,104
Contract liabilities	139,380,978	144,095,346
Deposits taking and deposits from peers	3,766,344	3,243,428
Accrued payrolls	3,783,985	4,100,021
Taxes payables	11,844,094	11,721,481
Other payables	102,093,226	92,997,355
Among which: Interests payables	111,938	185,410
Dividends payables	1,815,879	702,310
Non-current liabilities due within one year	31,316,832	46,624,311
Other current liabilities	33,677,814	26,147,134
Total current liabilities	855,848,464	787,860,302

Consolidated Balance Sheet (Continued)

Item	30 September 2022	31 December 2021
Non-current liabilities:		
Long-term borrowings	227,091,451	161,579,287
Bonds payables	39,492,463	33,562,826
Lease liabilities	920,315	971,804
Long-term payables	30,105,570	13,705,513
Long-term accrued payrolls	2,166,569	2,292,672
Accrued liabilities	513,118	760,626
Deferred income	977,169	988,805
Deferred income tax liabilities	2,622,264	1,646,855
Other non-current liabilities	30,412	14,910
Total non-current liabilities	303,919,331	215,523,298
Total liabilities	1,159,767,795	1,003,383,600
Owners' Equity (or Shareholders' Equity):		
Paid-up capital (or Share capital)	24,741,654	24,570,929
Other equity instruments	47,910,906	45,624,435
Including: Perpetual notes	47,910,906	45,624,435
Capital reserve	56,113,878	55,578,265
Less: Treasury stock	572,610	0
Other comprehensive income	-241,607	-1,235,607
Surplus reserve	13,423,029	13,423,029
General risk reserve	3,273,700	3,241,146
Accumulated profits	150,533,832	134,068,659
Owners' equity (or Shareholders' equity) attributable to the parent company	295,182,782	275,270,856
Minority interests	115,765,461	83,071,727
Total owners' equity (or shareholders' equity)	410,948,243	358,342,583
Total liabilities and owners' equity (or shareholders' equity)	1,570,716,038	1,361,726,183

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Consolidated Income Statement

January – September 2022

Prepared by China Railway Group Limited

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

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
1. Total operating revenue	850,052,180	770,218,114
Including: Revenue	848,184,880	767,925,918
Interest income	355,435	851,105
Handling fees and commission revenue	1,511,865	1,441,091
2. Total operating costs	817,615,066	739,873,421
Including: Cost of sales	773,188,250	697,693,183
Interest expenses	180,600	564,618
Tax and surcharges	4,188,570	3,752,729
Selling expenses	4,158,682	3,847,526
Administrative expenses	17,978,726	17,198,348
Research and development expenses	15,831,244	13,666,744
Finance expenses	2,088,994	3,150,273
Among which: Interest expenses	6,441,425	4,649,167
Interest income	4,578,001	1,955,962
Add: Other gains	968,265	809,981
Investment gains (loss is marked with “-”)	1,161,294	521,862
Among which: Investment gains from associates and joint ventures	2,410,487	2,089,498
Gain on derecognition of financial assets carried at amortised cost	-2,818,328	-2,519,652
Gain on changes in fair value (loss is marked with “-”)	-319,738	-213,739
Impairment on credit losses (loss is marked with “-”)	-1,066,874	-1,939,749
Impairment losses on assets (loss is marked with “-”)	-2,648,082	-2,314,633
Gain on disposal of assets (loss is marked with “-”)	-18,466	255,240
3. Profit from operation (loss is marked with “-”)	30,513,513	27,463,655
Add: Non-operating income	565,066	769,299
Less: Non-operating expenses	490,574	1,088,589

Consolidated Income Statement (Continued)

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
4. Profit before tax (loss is marked with “-”)	30,588,005	27,144,365
Less: Income tax expense	5,534,766	4,863,275
5. Net profit (net loss is marked with “-”)	25,053,239	22,281,090
(1) By operation continuity		
1. Net profit from continuing operation (net loss is marked with “-”)	25,053,239	22,281,090
2. Net profit from discontinued operation (net loss is marked with “-”)	0	0
(2) By ownership		
1. Net profit attributable to owners of the Company (net loss is marked with “-”)	23,016,392	20,646,544
2. Minority interests (net loss is marked with “-”)	2,036,847	1,634,546
6. Other comprehensive income, net of tax	1,068,947	-455,214
(1) Other comprehensive income attributable to owners of the Company, net of tax	992,461	-467,734
1. Other comprehensive income which will not be reclassified to profit or loss	-75,230	-401,482
(i) Changes in remeasurement of defined benefit obligations	83	-479
(ii) Other comprehensive income which will not be reclassified to profit or loss under the equity method	0	19,066
(iii) Changes in fair value of investments in other equity instruments	-75,313	-420,069
2. Other comprehensive income which will be reclassified to profit or loss	1,067,691	-66,252
(i) Other comprehensive income which will be reclassified to profit or loss under the equity method	765,497	185
(ii) Differences on translation of financial statements prepared in foreign currencies	302,194	-66,411
(iii) Others	0	-26
(2) Other comprehensive income attributable to minority interests, net of tax	76,486	12,520

Consolidated Income Statement (Continued)

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
7. Total comprehensive income	26,122,186	21,825,876
(1) Total comprehensive income attributable to owners of the Company	24,008,853	20,178,810
(2) Total comprehensive income attributable to minority interests	2,113,333	1,647,066
8. Earnings per share:		
(1) Basic earnings per share (<i>RMB/share</i>)	0.871	0.731
(2) Diluted earnings per share (<i>RMB/share</i>)	0.871	0.731

For business combination under common control during the Reporting Period, the net profit realized by the acquiree before combination was RMB Nil and the net profit realized by the acquiree for the reporting period of previous period was RMB Nil.

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Consolidated Cash Flow Statement

January – September 2022

Prepared by China Railway Group Limited

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

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
1. Cash flow from operating activities:		
Cash received from sales of goods or services rendered	892,892,269	828,515,117
Net increase in deposits received and deposits from peers	522,916	52,129
Cash received from interests, handling fees and commission	1,867,301	2,292,196
Receipt of tax refund	15,830,542	3,893,077
Cash received relating to other operating activities	15,495,679	6,554,625
Sub-total of cash inflows from operating activities	926,608,707	841,307,144
Cash paid for goods and services received	850,187,003	759,902,167
Net increase in loans and advances to customers	350,000	750,000
Net increase in deposits in central banks and peers	64,596	0
Cash paid for interests, handling fees and commission	180,600	564,618
Cash paid to and on behalf of employees	62,538,757	56,505,979
Tax payments	24,117,768	25,970,270
Cash paid relating to other operating activities	17,960,122	47,435,195
Sub-total of cash outflows from operating activities	955,398,846	891,128,229
Net cash flow from operating activities	-28,790,139	-49,821,085
2. Cash flow from investing activities:		
Cash received from disposal of investments	7,414,410	5,178,837
Cash received from return on investments	881,779	1,324,717
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	479,445	855,240
Cash received from disposal of subsidiaries and other business units	0	263,487
Cash received relating to other investing activities	655,732	4,184,463
Sub-total of cash inflows from investing activities	9,431,366	11,806,744
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	35,897,176	27,303,554
Cash paid for acquisitions of investments	18,435,794	25,468,568
Net cash payments for acquisition of subsidiaries or other business units	1,026,087	0
Cash paid relating to other investing activities	552,190	4,737,909
Sub-total of cash outflows from investing activities	55,911,247	57,510,031
Net cash flow from investing activities	-46,479,881	-45,703,287

Consolidated Cash Flow Statement (Continued)

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
3. Cash flow from financing activities:		
Cash received from investors	16,316,102	19,422,605
Including: Cash received by subsidiaries for investment by minority shareholders	15,710,030	19,422,605
Cash received from borrowings	178,205,491	163,743,489
Cash received relating to other financing activities	437,280	35,227,824
Sub-total of cash inflows from financing activities	194,958,873	218,393,918
Cash paid for repayment of borrowings	84,268,821	122,726,681
Cash paid for dividends, profit distribution or interest payment	11,380,418	10,462,528
Including: Dividends and profits paid to minority shareholders by subsidiaries	990,653	714,605
Cash paid relating to other financing activities	1,140,758	3,724,035
Sub-total of cash outflows from financing activities	96,789,997	136,913,244
Net cash flow from financing activities	98,168,876	81,480,674
4. Effect of foreign exchange rate changes on cash and cash equivalents	1,832,418	353,589
5. Net increase in cash and cash equivalents	24,731,274	-13,690,109
Add: Balances of cash and cash equivalents at the beginning of the period	148,115,618	145,463,712
6. Balances of cash and cash equivalents at the end of the period	172,846,892	131,773,603

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Company Balance Sheet
30 September 2022

Prepared by China Railway Group Limited

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

Item	30 September 2022	31 December 2021
Current assets:		
Cash and cash equivalents	24,903,968	12,893,451
Trading financial assets	48,126	64,066
Bills receivables	15,516	11,313
Accounts receivables	14,022,543	13,365,019
Advances to suppliers	3,367,460	3,646,735
Other receivables	84,317,487	83,755,442
Among which: Dividends receivables	2,127,687	1,093,108
Inventories	66,932	38,998
Contract assets	6,767,822	8,369,047
Non-current assets due within one year	3,159,812	3,133,022
Other current assets	1,615,530	2,079,710
Total current assets	138,285,196	127,356,803
Non-current assets:		
Debt investments	1,756,318	1,833,951
Long-term receivables	148,915	473,156
Long-term equity investments	298,163,483	275,671,494
Investments in other equity instruments	2,364,150	2,189,140
Other non-current financial assets	302,037	302,037
Investment properties	114,922	117,667
Fixed assets	258,311	274,566
Construction in progress	174,350	139,818
Right-of-use assets	31,413	31,656
Intangible assets	609,688	651,748
Long-term deferred expenses	42,945	53,040
Deferred income tax assets	783,428	708,178
Other non-current assets	20,543,059	22,488,187
Total non-current assets	325,293,019	304,934,638
Total assets	463,578,215	432,291,441

Company Balance Sheet (Continued)

Item	30 September 2022	31 December 2021
Current liabilities:		
Short-term borrowings	30,730,996	9,768,785
Accounts payables	33,570,926	34,465,445
Contract liabilities	7,447,972	8,172,002
Accrued payrolls	13,519	31,052
Taxes payables	116,329	174,217
Other payables	95,371,922	84,736,587
Among which: Dividends payables	1,419,870	435,590
Non-current liabilities due within one year	13,218,103	23,734,574
Other current liabilities	2,116,892	2,410,634
Total current liabilities	182,586,659	163,493,296
Non-current liabilities:		
Long-term borrowings	10,926,000	640,100
Bonds payables	30,405,685	27,203,711
Lease liabilities	28,855	26,249
Long-term payables	18,920,566	18,886,786
Long-term accrued payrolls	9,319	10,370
Deferred income	4,330	4,373
Total non-current liabilities	60,294,755	46,771,589
Total liabilities	242,881,414	210,264,885
Owners' Equity (or Shareholders' Equity):		
Paid-up capital (or Share capital)	24,741,654	24,570,929
Other equity instruments	47,910,906	45,624,435
Including: Perpetual notes	47,910,906	45,624,435
Capital reserve	61,315,919	60,815,726
Less: Treasury stock	572,610	0
Other comprehensive income	-132,388	-144,327
Surplus reserve	12,751,649	12,751,648
Accumulated profits	74,681,671	78,408,145
Total owners' equity (or shareholders' equity)	220,696,801	222,026,556
Total liabilities and owners' equity (or shareholders' equity)	463,578,215	432,291,441

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Company Income Statement
January – September 2022

Prepared by China Railway Group Limited

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

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
1. Revenue	35,076,014	46,140,111
Less: Cost of sales	33,022,447	43,407,250
Tax and surcharges	84,437	65,596
Administrative expenses	488,824	420,450
Research and development expenses	42,921	13,893
Finance expenses	2,605,681	2,384,687
Among which: Interest expenses	2,715,722	2,670,407
Interest income	185,939	319,247
Add: Other gains	4,288	173
Investment gains (loss is marked with “-”)	4,044,289	17,898,343
Among which: Investment gains from		
associates and joint ventures	-273,289	74,215
Gain on derecognition of financial		
assets carried at amortised cost	-19,673	-80
Gain on changes in fair value		
(loss is marked with “-”)	-15,940	32,186
Impairment on credit losses		
(loss is marked with “-”)	-140,129	286,942
Impairment losses on assets		
(loss is marked with “-”)	1,284	-5,778
2. Profit from operation (loss is marked with “-”)	2,725,496	18,060,101
Add: Non-operating income	6,949	7,100
Less: Non-operating expenses	81,432	1,520
3. Profit before tax (loss is marked with “-”)	2,651,013	18,065,681
Less: Income tax expense	-59,969	530,891

Company Income Statement (Continued)

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
4. Net profit (net loss is marked with “-”)	2,710,982	17,534,790
(1) Net profit from continuing operation (net loss is marked with “-”)	2,710,982	17,534,790
(2) Net profit from discontinued operation (net loss is marked with “-”)	0	0
5. Other comprehensive income, net of tax	11,389	15,999
(1) Other comprehensive income which will not be reclassified to profit or loss	10	0
1. Changes in remeasurement of defined benefit obligations	10	0
(2) Other comprehensive income which will not be reclassified to profit or loss under the equity method	11,379	15,999
1. Differences on translation of financial statements prepared in foreign currencies	11,379	15,999
6. Total comprehensive income	2,722,178	17,550,788
7. Earnings per share:		
(1) Basic earnings per share (<i>RMB/share</i>)	N/A	N/A
(2) Diluted earnings per share (<i>RMB/share</i>)	N/A	N/A

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Company Cash Flow Statement

January – September 2022

Prepared by China Railway Group Limited

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

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
1. Cash flow from operating activities:		
Cash received from sales of goods or services rendered	38,776,768	46,966,877
Cash received from tax refund	6,717	0
Cash received relating to other operating activities	158,712	885,201
Sub-total of cash inflows from operating activities	38,942,197	47,852,078
Cash paid for goods and services received	33,604,138	38,351,805
Cash paid to and on behalf of employees	587,378	566,208
Tax payments	337,126	1,141,726
Cash paid relating to other operating activities	5,109,736	7,474,537
Sub-total of cash outflows from operating activities	39,638,378	47,534,276
Net cash flow from operating activities	-696,181	317,802
2. Cash flow from investing activities:		
Cash received from disposal of investments	0	15,000
Cash received from return on investments	270,287	3,286,505
Cash received from disposal of subsidiaries and other business units	766,727	0
Cash received relating to other investing activities	23,569,296	15,810,106
Sub-total of cash inflows from investing activities	24,606,310	19,111,611
Cash paid for acquisitions of fixed assets, intangible assets and other long-term assets	49,482	56,754
Cash paid for acquisitions of investments	8,260,082	9,214,522
Net cash payments for acquisition of subsidiaries or other business units	11,246,612	0
Cash paid relating to other investing activities	17,076,110	24,487,226
Sub-total of cash outflows from investing activities	36,632,286	33,758,502
Net cash flow from investing activities	-12,025,976	-14,646,891

Company Cash Flow Statement (Continued)

Item	First Three Quarters of 2022 (January – September)	First Three Quarters of 2021 (January – September)
3. Cash flow from financing activities:		
Cash received from investors	3,103,572	0
Cash received from borrowings	49,013,905	43,103,371
Cash received relating to other financing activities	2,997,294	236,543
Sub-total of cash inflows from financing activities	55,114,771	43,339,914
Cash paid for repayment of borrowings	24,329,000	20,171,000
Cash paid for dividends, profit distribution or interest payment	6,135,042	7,032,727
Sub-total of cash outflows from financing activities	30,464,042	27,203,727
Net cash flow from financing activities	24,650,729	16,136,187
4. Effect of foreign exchange rate changes on cash and cash equivalents	100,316	-27,908
5. Net increase in cash and cash equivalents	12,028,888	1,779,190
Add: Balances of cash and cash equivalents at the beginning of the period	12,779,275	43,554,765
6. Balance of cash and cash equivalents at the end of the period	24,808,163	45,333,955

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

III ADJUSTMENTS ON THE OPENING BALANCE OF FINANCIAL STATEMENTS IN THE YEAR OF FIRST ADOPTION SINCE 2022 RESULTING FROM THE FIRST ADOPTION OF NEW ACCOUNTING STANDARDS OR INTERPRETATIONS

Not applicable