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

(Stock Code: 3898)

## ANNOUNCEMENT OF AUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

The board of directors (the “**Board**”) of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) is pleased to announce the audited operating results of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2020 set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi yuan) as follows.

### Consolidated Statement of Financial Position

30 September 2020

	<b>30 September 2020 (Audited)</b>	31 December 2019 (Audited)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and bank balances	3,978,915,197	4,302,487,192
Held-for-trading financial assets	2,807,465,540	4,905,776,761
Bills receivable	2,352,413,575	2,726,110,422
Trade receivables	10,087,003,248	7,413,964,722
Contract assets	235,291,419	185,348,674
Trade receivables financing	1,335,176,112	2,554,953,370
Prepayments	378,354,672	325,425,161
Other receivables	137,599,114	106,498,054
Inventories	5,380,495,273	3,768,038,771
Other current assets	481,983,500	486,019,130
<b>Total current assets</b>	<b>27,174,697,650</b>	<b>26,774,622,257</b>

**Consolidated Statement of Financial Position (continued)**

30 September 2020

	<b>30 September 2020 (Audited)</b>	31 December 2019 (Audited)
<b>NON-CURRENT ASSETS</b>		
Other equity instrument investment	92,832,300	2,400,000
Long-term receivables	–	–
Long-term equity investments	569,423,794	527,041,129
Fixed assets	2,758,839,779	2,982,555,754
Construction in progress	1,161,937,785	92,209,800
Right-of-use assets	86,012,274	106,551,628
Intangible assets	657,786,892	746,172,701
Development expenditure	291,343,048	205,708,046
Long-term deferred expenses	47,370,119	34,744,515
Goodwill	257,199,082	417,097,375
Deferred tax assets	515,350,146	431,128,139
Other non-current assets	873,886,195	665,384,012
<b>Total non-current assets</b>	<b>7,311,981,414</b>	<b>6,210,993,099</b>
<b>TOTAL ASSETS</b>	<b>34,486,679,064</b>	<b>32,985,615,356</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Short-term borrowings	301,085,100	146,596,015
Derivative financial liabilities	3,863,933	–
Bills payable	2,376,264,649	2,282,345,169
Trade payables	4,667,424,921	4,391,411,209
Contract liabilities	790,156,611	896,368,688
Employee benefits payable	402,060,683	150,388,408
Taxes payable	177,412,056	153,056,373
Other payables	650,263,929	857,451,744
Current portion of non-current liabilities	394,486,979	391,687,113
Other current liabilities	85,892,463	112,563,399
<b>Total current liabilities</b>	<b>9,848,911,324</b>	<b>9,381,868,118</b>

**Consolidated Statement of Financial Position (continued)**

30 September 2020

	<b>30 September 2020 (Audited)</b>	31 December 2019 (Audited)
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	222,160,131	230,535,828
Lease liabilities	62,635,614	71,511,895
Long-term payables	13,731,762	16,517,630
Provisions	489,063,221	450,100,880
Deferred income	615,028,192	565,440,683
Deferred tax liabilities	42,214,708	49,592,228
Other non-current liabilities	27,983,083	23,768,937
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<b>Total non-current liabilities</b>	<b>1,472,816,711</b>	1,407,468,081
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<b>Total liabilities</b>	<b>11,321,728,035</b>	10,789,336,199
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<b>SHAREHOLDERS' EQUITY</b>		
Share capital	1,175,476,637	1,175,476,637
Capital reserve	3,321,880,949	3,321,880,949
Other comprehensive income	(133,167,363)	(140,316,129)
Special reserve	26,441,527	17,509,972
Surplus reserve	2,072,158,058	2,072,158,058
Retained earnings	16,431,781,183	15,463,553,872
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<b>Total equity attributable to shareholders of the parent</b>	<b>22,894,570,991</b>	21,910,263,359
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<b>Non-controlling interests</b>	<b>270,380,038</b>	286,015,798
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<b>Total shareholders' equity</b>	<b>23,164,951,029</b>	22,196,279,157
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<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>34,486,679,064</b>	32,985,615,356
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## Consolidated Statement of Profit or Loss and Other Comprehensive Income

*For the nine months ended 30 September 2020*

	For the nine months ended 30 September 2020 (Audited)	For the nine months ended 30 September 2019 (Unaudited)
<b>Revenue</b>	<b>9,879,512,433</b>	9,598,028,397
Less: Cost of sales	<b>6,101,165,102</b>	5,861,763,770
Taxes and surcharges	<b>54,329,907</b>	85,902,462
Selling expenses	<b>675,612,593</b>	718,902,628
Administrative expenses	<b>504,437,859</b>	520,896,803
Research and development expenses	<b>1,067,956,656</b>	990,998,752
Finance costs	<b>3,652,532</b>	8,741,736
Add: Gains/(losses) on fair value changes	<b>3,601,607</b>	–
Investment income	<b>57,554,431</b>	72,672,480
Including: share of profits of associates and joint ventures	<b>(17,218,056)</b>	(9,137,711)
Gains from asset disposals (“-” for losses)	<b>6,552,834</b>	323,989
Impairment losses (“-” for losses)	<b>(226,720,528)</b>	(25,066,921)
Credit losses (“-” for losses)	<b>7,458,023</b>	(41,319,048)
Other income	<b>379,172,969</b>	245,714,081
<b>Operating profit</b>	<b>1,699,977,120</b>	1,663,146,827
Add: Non-operating income	<b>39,846,826</b>	7,677,099
Less: Non-operating expenses	<b>44,469,686</b>	1,426,046
<b>Total profit</b>	<b>1,695,354,260</b>	1,669,397,880
Less: Income tax expense	<b>199,926,470</b>	162,379,603
<b>Net profit</b>	<b>1,495,427,790</b>	1,507,018,277

**Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)**

*For the nine months ended 30 September 2020*

	<b>For the nine months ended 30 September 2020 (Audited)</b>	For the nine months ended 30 September 2019 (Unaudited)
<b>Classified by business continuity</b>		
Net profit from continuing operations	<b>1,495,427,790</b>	1,507,018,277
<b>Classified by ownership</b>		
Gains/(Losses) attributable to non-controlling interests	<b>(1,764,008)</b>	4,425,554
Net profit attributable to shareholders of the parent	<b>1,497,191,798</b>	1,502,592,723
<b>Other comprehensive income, net of tax</b>	<b>6,889,024</b>	13,790,995
Other comprehensive income attributable to shareholders of the parent, net of tax	<b>7,148,766</b>	28,172,884
Other comprehensive income that will not be reclassified to profit or loss	–	–
Exchange fluctuation reserve	<b>(22,960,492)</b>	11,966,483
Changes in fair value of investments in other equity instruments	<b>30,109,258</b>	16,206,401
Other comprehensive income attributable to non-controlling interests, net of tax	<b>(259,742)</b>	(14,381,889)
<b>Total comprehensive income</b>	<b><u>1,502,316,814</u></b>	<b><u>1,520,809,272</u></b>
Including:		
Total comprehensive income attributable to shareholders of the parent	<b><u>1,504,340,564</u></b>	<b><u>1,530,765,607</u></b>
Total comprehensive income attributable to non-controlling interests	<b><u>(2,023,750)</u></b>	<b><u>(9,956,335)</u></b>
Earnings per share (Renminbi yuan/Share)	<b><u>1.27</u></b>	<b><u>1.28</u></b>

The Group's revenue increased by RMB281.5 million or 2.9% from RMB9,598.0 million for the nine months ended 30 September 2019 to RMB9,879.5 million for the nine months ended 30 September 2020.

The Group's gross profit increased by RMB42.0 million or 1.1% from RMB3,736.3 million for the nine months ended 30 September 2019 to RMB3,778.3 million for the nine months ended 30 September 2020. The Group's gross profit margin decreased from 38.9% for the nine months ended 30 September 2019 to 38.2% for the nine months ended 30 September 2020, which was mainly due to the change of product sales structure, leading to a slight decrease in gross profit margin.

Net profit attributable to the shareholders of the parent decreased by RMB5.4 million or 0.4% from RMB1,502.6 million for the nine months ended 30 September 2019 to RMB1,497.2 million for the nine months ended 30 September 2020.

The Group's earnings per share decreased by RMB0.01 from RMB1.28 for the nine months ended 30 September 2019 to RMB1.27 for the nine months ended 30 September 2020.

As at 30 September 2020, the immediate controlling shareholder of the Company is CRRC Zhuzhou Institute Co., Ltd. ("CRRC ZELRI") and the ultimate controlling shareholder is CRRC Group Co., Ltd. ("CRRC Group"). CRRC Group holds approximately 50.73% equity interest in CRRC Corporation Limited which indirectly holds an aggregate of approximately 53.18% equity interest in the Company through its four subsidiaries, i.e. by holding through CRRC ZELRI, CRRC Investment & Leasing Co., Ltd., CRRC Zhuzhou Locomotive Co., Ltd. and CRRC Hong Kong Capital Management Co., Limited approximately 50.16%, 0.80%, 0.85% and 1.38% equity interest in the Company, respectively.

## REVIEW BY AUDIT COMMITTEE

The Group's audited results for the nine months ended 30 September 2020 have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP and this results announcement have been reviewed and confirmed by the audit committee of the Board.

## GENERAL

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

By order of the Board  
**Li Donglin**  
Chairman

Zhuzhou, China, 24 December 2020

*As at the date of this announcement, our chairman of the Board and executive Director is Li Donglin, our vice chairman of the Board and executive Director is Liu Ke'an, our other executive Directors are Shang Jing 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 Gao Feng.*