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

(Stock Code: 3898)

ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2021

The board of directors (the “**Board**”) of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) is pleased to announce the unaudited operating results of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2021 set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi yuan) as follows.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2021

	31 March 2021	31 December 2020
	(Unaudited)	(Audited)
ASSETS		
CURRENT ASSETS		
Cash and bank balances	5,350,097,631	5,128,885,997
Held-for-trading financial assets	2,269,134,622	3,732,327,307
Bills receivable	2,063,917,770	2,460,737,156
Trade receivables	9,081,038,001	7,936,895,209
Trade receivables financing	1,235,814,070	1,443,941,055
Prepayments	309,357,005	358,912,908
Other receivables	182,740,632	162,774,728
Inventories	5,090,317,143	4,258,490,200
Contract assets	270,311,393	301,335,105
Other current assets	649,035,718	641,182,827
	26,501,763,985	26,425,482,492
Total current assets	26,501,763,985	26,425,482,492

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 March 2021

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
NON-CURRENT ASSETS		
Long-term equity investments	568,411,091	550,805,565
Other equity instrument investment	92,832,300	92,832,300
Fixed assets	2,677,274,710	2,751,142,435
Construction in progress	1,878,977,728	1,644,012,744
Right-of-use assets	100,494,959	80,331,083
Intangible assets	776,763,712	803,773,005
Development expenditure	318,362,266	308,376,123
Goodwill	247,918,489	246,921,172
Long-term prepaid expenses	44,924,305	46,038,198
Deferred tax assets	515,887,218	484,378,231
Other non-current assets	401,927,466	431,627,910
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Total non-current assets	7,623,774,244	7,440,238,766
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TOTAL ASSETS	34,125,538,229	33,865,721,258
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LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	273,339,524	278,246,822
Bills payable	1,344,326,910	1,767,905,098
Trade payables	3,995,087,986	3,611,924,434
Contract liabilities	677,279,833	692,579,809
Employee benefits payable	165,507,471	117,663,008
Taxes payable	119,859,882	165,498,903
Other payables	674,543,555	643,771,172
Non-current liabilities due within one year	523,973,225	516,727,113
Other current liabilities	85,698,673	83,024,481
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Total current liabilities	7,859,617,059	7,877,340,840
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*31 March 2021*

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
NON-CURRENT LIABILITIES		
Long-term borrowings	80,188,000	82,688,000
Lease liabilities	66,910,854	56,662,111
Long-term payables	3,644,372	10,215,068
Provisions	547,123,726	548,592,302
Deferred income	958,908,414	963,716,803
Deferred tax liabilities	39,589,216	40,780,758
Other non-current liabilities	29,269,995	26,134,972
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Total non-current liabilities	1,725,634,577	1,728,790,014
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Total liabilities	9,585,251,636	9,606,130,854
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SHAREHOLDERS' EQUITY		
Share capital	1,175,476,637	1,175,476,637
Capital reserve	3,321,880,949	3,321,880,949
Other comprehensive income	(136,301,758)	(152,338,731)
Special reserve	26,193,740	25,247,257
Surplus reserve	2,325,644,999	2,325,644,999
Retained earnings	17,416,830,717	17,156,557,050
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Total equity attributable to shareholders of the parent	24,129,725,284	23,852,468,161
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Non-controlling interests	410,561,309	407,122,243
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Total shareholders' equity	24,540,286,593	24,259,590,404
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	34,125,538,229	33,865,721,258
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2021

	For the three months ended 31 March 2021 (Unaudited)	For the three months ended 31 March 2020 (Unaudited)
I. Revenue	2,080,783,383	1,752,200,857
Less: Cost of sales	1,291,164,032	1,069,749,252
Taxes and surcharges	15,818,908	12,702,551
Selling expenses <i>(Note)</i>	153,376,724	134,165,956
Administrative expenses <i>(Note)</i>	120,091,512	124,157,260
Research and development expenses <i>(Note)</i>	291,483,169	219,989,390
Finance costs	(4,658,090)	11,120,783
Add: Other income	115,740,930	77,440,169
Investment income	17,227,734	23,117,945
Including: share of profits (losses) of associates and joint ventures	(6,045,877)	(4,793,152)
Gains on fair value changes	8,128,685	11,491,096
Gains (losses) on credit impairment	(6,995,248)	11,705,663
Gains (losses) on asset impairment	(43,285,317)	(18,475,697)
Gains (losses) on disposal of assets	(14,992)	(493,084)
	304,308,920	285,101,757
II. Operating profit	304,308,920	285,101,757
Add: Non-operating income	3,712,910	4,876,091
Less: Non-operating expenses	28,225	161,260
	307,993,605	289,816,588
III. Total profit	307,993,605	289,816,588
Less: Income tax expense	44,436,253	42,298,550
	263,557,352	247,518,038
IV. Net profit	263,557,352	247,518,038
 (I) Classified by business continuity		
1. Net profit from continuing operations	263,557,352	247,518,038
2. Net profit from discontinued operations	–	–
	–	–
 (II) Classified by ownership		
1. Gains (losses) attributable to non-controlling interests	3,283,685	(3,851,150)
2. Net profit attributable to shareholders of the parent	260,273,667	251,369,188
	260,273,667	251,369,188

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the three months ended 31 March 2021

	For the three months ended 31 March 2021 (Unaudited)	For the three months ended 31 March 2020 (Unaudited)
V. Other comprehensive income, net of tax	15,973,113	11,987,213
Other comprehensive income attributable to shareholders of the parent, net of tax	<u>16,036,973</u>	<u>11,608,365</u>
(I) Other comprehensive income that will not be reclassified to profit or loss	–	–
(II) Other comprehensive income that may be reclassified to profit or loss	16,036,973	11,608,365
1. Translation differences of financial statements denominated in foreign currencies	6,002,587	(15,659,606)
2. Changes in fair value of other debt investments	10,034,386	27,267,971
Other comprehensive income attributable to non-controlling interests, net of tax	<u>(63,860)</u>	<u>378,848</u>
VI. Total comprehensive income	<u>279,530,465</u>	<u>259,505,251</u>
Total comprehensive income attributable to shareholders of the parent	<u>276,310,640</u>	<u>262,977,553</u>
Total comprehensive income attributable to non-controlling interests	<u>3,219,825</u>	<u>(3,472,302)</u>
VII. Earnings per share		
Basic earnings per share (<i>Renminbi yuan/Share</i>)	<u>0.22</u>	<u>0.21</u>

Note: Adjustments were made to the data of corresponding period of last year

The Group's revenue increased by RMB328.6 million or 18.8% from RMB1,752.2 million for the three months ended 31 March 2020 to RMB2,080.8 million for the three months ended 31 March 2021.

The Group's gross profit increased by RMB107.1 million or 15.7% from RMB682.5 million for the three months ended 31 March 2020 to RMB789.6 million for the three months ended 31 March 2021. The Group's gross profit margin decreased from 39.0% for the three months ended 31 March 2020 to 37.9% for the three months ended 31 March 2021. The gross profit margin recorded a slight decrease.

Net profit attributable to the shareholders of the parent increased by RMB8.9 million or 3.5% from RMB251.4 million for the three months ended 31 March 2020 to RMB260.3 million for the three months ended 31 March 2021.

The Group's earnings per share increased by RMB0.01 or 4.8% from RMB0.21 for the three months ended 31 March 2020 to RMB0.22 for the three months ended 31 March 2021.

As at 31 March 2021, 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 51.35% equity interest in CRRC Corporation Limited which indirectly holds an aggregate of approximately 53.19% 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 unaudited results for the three months ended 31 March 2021 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, 29 April 2021

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.