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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 (%) |
|---|------------------|---|---|---|
| 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 | | 0 |
| HKSCC Nominees Limited (Note 1) | Other | 4,009,768,962 | 16.21 | 0 | None | | 0 |
| Hong Kong Securities Clearing Company Limited (Note 2) | Other | 651,863,075 | 2.63 | 0 | None | | 0 |
| China Securities Finance Corporation Limited | State-owned legal entity | 619,264,325 | 2.50 | 0 | None | | 0 |
| China Reform Holdings Corporation Ltd. | State-owned legal entity | 387,050,131 | 1.56 | 0 | 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