中国通号

中國鐵路通信信號股份有限公司
China Railway Signal & Communication Corporation Limited*

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

(Stock Code: 03969)

2021 THIRD QUARTERLY REPORT

The Board of Directors of China Railway Signal & Communication Corporation Limited* (the "**Company**") is pleased to announce the unaudited financial information of the Company and its subsidiaries for the third quarter ended 30 September 2021, prepared in accordance with China Accounting Standards for Business Enterprises. This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

This announcement contains the Chinese original version and English translation version of the "2021 Third Quarterly Report of China Railway Signal & Communication Corporation Limited*" as published on the website of the Shanghai Stock Exchange, and is provided for your reference only. If there is any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

"Board" or "Board of Directors"	the board of Directors of the Company
"Company"	China Railway Signal & Communication Corporation Limited* (中國鐵路通信信號股份有限公司)
"Director(s)"	director(s) of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Reporting Period"	the period from 1 July 2021 to 30 September 2021
"Supervisor(s)"	supervisor(s) of the Company
"Supervisory Committee"	the supervisory committee of the Company

By order of the Board
China Railway Signal & Communication Corporation Limited*
ZHOU Zhiliang
Chairman

Beijing, PRC, 27 October 2021

As of the date of this announcement, the executive Directors of the Company are Mr. ZHOU Zhiliang, Mr. XU Zongxiang and Mr. YANG Yongsheng, the non-executive Director of the Company is Mr. GUO Yonghong, and the independent non-executive Directors of the Company are Mr. YAO Guiqing, Mr. CHEN Jin'en and Mr. CHAN Ka Keung Peter.

* *For identification only*

Stock code: 688009.SH 3969.HK Abbreviation: CRSC

China Railway Signal & Communication Corporation Limited* 2021 Third Quarterly Report

The Board of Directors of the Company and all members thereof hereby warrant that there is no false representations or misleading statements contained in, or material omissions from, this announcement and jointly and severally accept the responsibility for the truthfulness, accuracy and completeness of this announcement.

IMPORTANT NOTICE:

The Board of Directors, the Supervisory Committee, Directors, Supervisors and senior management of the Company undertake that the information in this quarterly report is true, accurate and complete and contains no false record, misleading statement or material omission, and assume individual and joint liabilities to the information in this report.

ZHOU Zhiliang, person in charge of the Company, HU Shaofeng, person in charge of accounting affairs of the Company, and ZHANG Shihu, person in charge of the accounting office of the Company (head of accounting department), hereby guarantee that the information of the financial statements contained in this quarterly report are true, accurate and complete.

Whether the third quarterly financial statements have been audited

□ Yes √No

I. KEY FINANCIAL DATA

1. Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Change in the Reporting Period compared with the same period last year (%)	From beginning of the year to the end of the Reporting Period	Change from the beginning of the year to the end of the Reporting Period compared with the same period last year (%)
Operating income	7,469,946,018.59	-19.71	25,334,693,307.89	5.89
Net profit attributable to shareholders of listed company	568,711,108.42	-35.17	2,409,215,855.80	-9.16
Net profit attributable to the shareholders of listed company deducting nonrecurring profit or loss	562,545,287.34	-33.17	2,334,127,536.73	-9.61
Net cash flows generated from operating activities	Not applicable	Not applicable	345,439,532.93	–
Basic earnings per share (in RMB per share)	0.06	-25.00	0.22	-8.33
Diluted earnings per share (in RMB per share)	0.06	-25.00	0.22	-8.33
Weighted average return on net assets (%)	1.34	Decreased by 0.70 percentage point	5.57	Decreased by 1.13 percentage points
Total research and development investment	417,325,525.34	–2.74	1,174,300,323.35	14.34
Percentage of research and development investment to revenue (%)	5.59	Increased by 0.98 percentage point	4.64	Increased by 0.35 percentage point

	As at the end of the Reporting Period	As at the end of the previous year	Change as at the end of the Reporting Period compared with the end of the previous year (%)
Total assets	105,357,000,951.39	105,328,082,320.59	0.03
Ownership interests attributable to shareholders of listed company	39,943,518,049.93	42,563,468,050.40	–6.16

Note: "The Reporting Period" refers to the three-month period from the beginning of this quarter to the end of this quarter, the same below.

2. Non-recurring profit or loss items and amounts

Unit: Yuan Currency: RMB

Items	Amount for the Reporting Period	From beginning of the year to the end of the Reporting Period	Explanation
Gains or losses from disposal of non-current assets (including the write-off of the asset impairment provision)	1,167,675.66	26,466,040.51	
Government grants recognized through profit or loss for the period (other than government grants which are closely related to the Company's normal business operations, which comply with national policies and can be enjoyed continuously based on a fixed amount or a fixed quantity according to a certain standard)	8,892,596.99	38,642,984.15	
Profit or loss from debt restructuring	86,777.51	355,023.15	
Reversal of the provisions for impairment of receivables subject to individually impairment test	–	2,755,674.64	
Other non-operating income and expenses other than the above items	-2,498,131.83	22,548,151.75	
Other profit or loss items that fall within the meaning of non-recurring profit or loss	–	–	
Less: Effect on income tax	1,273,167.29	15,108,370.07	
Effect on minority interests (after tax)	–	571,185.07	
Total	6,375,751.04	75,088,319.06	

Explanation for determination of the recurring profit or loss items that are in conformity with the definition of "extraordinary profit or loss items" as set out in the Explanatory Announcement No. 1 on Information Disclosure by Companies that Issue Securities to the Public — Extraordinary Profit or Loss Items (《公開發行證券的公司信息披露解釋性公告第 1 號－非經常性損益》).

□ Applicable √Not applicable

3. Circumstances and reasons for changes in the key accounting data and financial indicators

√Applicable □Not applicable

Name of items	Proportion of change (%)	Main reasons
Net profit attributable to shareholders of listed company-the Reporting Period	-35.17	It was mainly due to the recovery of profit growth in the third quarter of last year as the epidemic has been brought under effective control with a relatively high base, while there are fewer new railway bidding projects in the Reporting Period, with rising raw material prices and cancellation of preferential policies for reduction of and exemption from corporate social insurance premium, increased labor costs, all resulting in a significant decline in net profit in the Reporting Period compared with the previous period.
Net profit after deducting non-recurring profit or loss attributable to shareholders of listed company -the Reporting Period	-33.17	Same as above.

The cash flow from operating activities from the beginning of the year to the end of the Reporting Period is a net inflow of RMB345 million, compared with a net outflow of RMB668 million over the same period last year, which is mainly due to the Company's active collection of receivables, strengthening of the assessment of operating cash flow indicators, resulting in the steady increase in the cash inflow of operating activities.

II. INFORMATION ON SHAREHOLDERS

1. Total number of ordinary shareholders and number of shareholders of preference shares with restored voting rights and particulars of shareholdings of the top ten shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the Reporting Period [note 1]			101,336	Total number of shareholders of preference shares with restored voting rights as at the end of the Reporting Period (if any)		Not applicable	
Particulars of shareholdings of the top ten Shareholders							
Name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding (%)	Number of shares held subject to trading moratorium	Number of restricted shares including lending shares for securities financing	Shares pledged, marked or frozen	
						Status of shares	Number of shares
China Railway Signal and Communication (group) Corporation Limited [Note 2]	State-owned corporation	6,604,426,424	62.37	6,604,426,424	6,604,426,424	No	–
HKSCC NOMINEES LIMITED [Note 3]	Overseas corporation	1,967,729,950	18.58	–	–	Unknown	–
China Merchants Bank Co., Ltd – China AMC SSE STAR 50 Exchange Traded Fund	Others	79,194,875	0.75	–	–	Unknown	–
Hong Kong Securities Clearing Company Limited	Others	66,430,085	0.63	–	–	Unknown	–
China National Machinery Industry Corporation	State-owned corporation	63,507,192	0.60	–	–	Unknown	–
Industrial and Commercial Bank of China Limited-E Fund SSE STAR 50 Exchange Traded Fund	Others	35,397,506	0.33	–	–	Unknown	–
China Railway Investment Co., Ltd.	State-owned corporation	34,188,000	0.32	–	–	Unknown	–
Guangdong Hengjian Capital Management Co., Ltd.	State-owned corporation	23,677,500	0.22	–	–	Unknown	–
CETC Fund Management Co., Ltd. –Zhongdian Electronics Information Industry Investment Fund (Tianjin) Partnership (Limited Partnership)	Others	23,677,500	0.22	–	–	Unknown	–
Hunan Rail Transit Holding Group Co., Ltd.	State-owned corporation	23,677,500	0.22	–	–	Unknown	–

Particulars of shareholdings of the top ten shareholders not subject to trading moratorium			
Name of shareholder	**Number of circulating shares held not subject to trading moratorium**	**Type and number of shares**	
		Type	**Number**
HKSCC NOMINEES LIMITED Note 3	1,967,729,950	Overseas listed foreign shares	1,967,729,950
China Merchants Bank Co., Ltd – China AMC SSE STAR 50 Exchange Traded Fund	79,194,875	RMB ordinary shares	79,194,875
Hong Kong Securities Clearing Company Limited	66,430,085	RMB ordinary shares	66,430,085
China National Machinery Industry Corporation	63,507,192	RMB ordinary shares	63,507,192
Industrial and Commercial Bank of China Limited – E Fund SSE STAR 50 Exchange Traded Fund	35,397,506	RMB ordinary shares	35,397,506
China Railway Investment Co., Ltd.	34,188,000	RMB ordinary shares	34,188,000
Guangdong Hengjian Capital Management Co., Ltd.	23,677,500	RMB ordinary shares	23,677,500
CETC Fund Management Co., Ltd. – Zhongdian Electronics Information Industry Investment Fund (Tianjin) Partnership (Limited Partnership)	23,677,500	RMB ordinary shares	23,677,500
Hunan Rail Transit Holding Group Co., Ltd.	23,677,500	RMB ordinary shares	23,677,500
Agricultural Bank of China Limited-ICBC Credit Suisse SSE STAR 50 Exchange Traded Fund	16,055,166	RMB ordinary shares	16,055,166
Explanation on the related party relationship or acting-in-concert arrangement among the above shareholders	China Railway Signal and Communication (group) Corporation Limited, the largest shareholder, does not have any related party relationship with the other shareholders nor is it a person acting in concert with them. The Company is not aware whether the other shareholders have related party relationship or acting-in-concert arrangement.		
Business description on margin financing and securities lending conducted by the top 10 shareholders and the top ten shareholders not subject to trading moratorium (if any)	Not applicable		

Note 1: At the end of the Reporting Period, the number of A share shareholders of the Company was 101,101, and the number of H share registered shareholders was 235.

Note 2: At the end of the Reporting Period, apart from 6,604,426,424 A shares, China Railway Signal and Communication (group) Corporation Limited also holds 34,302,000 H shares of the Company, totaling 6,638,728,424 shares, representing 62.69% of its total capital.

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

Note 4: Apart from information set out in note 2 and note 3, the remaining shares held by the top ten shareholders are all A shares of the Company.

III. OTHER REMINDERS

Other important information that needs to be brought to the attention of investors concerning the operation of the Company during the Reporting Period

√Applicable ☐ Not applicable

The revenue breakdown of each business line during the first 3 quarters is set out as below:

Unit: 0'000 Currency: RMB

Business lines	**Revenue**			
	From January to September 2021	**Corresponding period of the previous year**	**Increase/ decrease in amount**	**Increase in ratio**
Railway	1,237,564.59	1,197,313.57	40,251.02	3.36%
Urban transit	488,908.97	563,198.14	–74,289.17	–13.19%
Overseas businesses	44,282.04	24,381.21	19,900.83	81.62%
Construction contracting	757,714.77	603,386.35	154,328.42	25.58%
Other	4,998.96	4,158.16	840.80	20.22%
Total	2,533,469.33	2,392,437.43	141,031.90	5.89%

From January to September 2021, the aggregate amount of newly-signed external contracts amounted to RMB45.062 billion, representing an increase of 1.13% as compared to the corresponding period of last year. Among which, the value of newly-signed contracts in railway sector amounted to RMB10.277 billion, representing a decrease of 45.68% as compared to the corresponding period of last year; the value of newly-signed contracts in urban transit sector amounted to RMB9.228 billion, representing an increase of 12.50% as compared to the corresponding period of last year; the value of newly-signed contracts in overseas sector amounted to RMB1.667 billion, representing an increase of 108.53% as compared to the corresponding period of last year; the total value of contracts for general contracting and newly-signed contracts for other sectors amounted to RMB23.890 billion, representing an increase of 43.56% as compared to the corresponding period of last year.

In the first three quarters in 2021, the bid opening mileages of the post-station Four Electric (四電) engineering of the high speed railways across the country reduced by over 60%. In the railway sector, CRSC mainly won major projects including Guangzhou-Shanwei High-speed Railway, the Connections of Huzhou-Hangzhou High-speed Railway, Xi'an-Yan'an High-speed Railway, the southern extension of Guangzhou-Qingyuan Inter-city High-Speed Railway, information system integration project of Guangzhou Baiyun Station (Tangxi Station), a newly built railway hub in Guangzhou, the Railway Special Line EPC Project of Jincheng City Guorui Yuntong Logistics Co., Ltd. (晉城市國睿運通物流有限公司), the Railway Special Line Project of Huawang Reli, the subcontracting project of communications, signaling, information and electric power construction for the Lianjie-Leshan Line of a newly-built local railway, the Capacity Expansion and Reconstruction Project of Wubei-Jiangjunmiao Railway, and the capacity expansion and renovation project of Zhunchi Railway Wochang Station of the Xinshuo Railway, of which winning projects of newly constructed normal-speed railways, local railway special lines and the reconstruction of existing lines, to some extent, covered the decline in the high-speed railway market.

In the urban transit sector, CRSC sought progress continuously. It undertook signal system integration projects for Changsha Subway Line 6, Tianjin Subway Line 11, Xi'an Subway Line 16, Suzhou Subway Line 8, Zhengzhou Subway Line 7, Zhengzhou Subway Line 8, Taizhou Line S1, Wuxi Line S1, the renovation project of Shanghai Subway Lines 3/4, the Shenzhen Metro Line 6 branch line and its second phase project, and Existing and southern extension of Changchun Subway Line 4, captured more than half of the market share under fierce market competition and further expanded its leading advantages; further strengthened the operations in the field of communication system integration in urban transit and won communication system integration projects for Hangzhou Airport Express, Taizhou City Railway Line S1, Dalian Subway Line 5, Suzhou Subway Line8 and Chongqing Subway Line 4 (Phase II), forming relatively stable economic growth points.

In the overseas sector, CRSC tried its best to overcome the multiple impacts of the pandemic and changes in the economic and political landscape, mainly undertook the project of signaling, communications and information system for the Stara Pazova (excluded)-Novi Sad (excluded) section of the Hungary-Serbia Railway in Serbia, modernization, reconstruction and expansion project of the Novi Sad-Subotica-Border (Kelebija) section of the Hungary-Serbia Railway in Serbia, reconstruction project of PCC 1 of Line 1 to Line 6, the overall modernization project of the Mexico City Public Transport System Line 1, the communication system procurement and installation project in respect of the trains, control system and overall rail modernization project of the Mexico City Public Transport System Line1, making every efforts to realize its annual targets.

In general contracting and other sectors, CRSC achieved significant business growth. However, the growth rate has dropped significantly as compared to the first half of the year. In the future, CRSC will continue to focus on stimulating the main businesses and strictly control the gross profit margin to ensure a reasonable and orderly growth of business lines in related fields.

IV. QUARTERLY FINANCIAL STATEMENTS

1. Status of Audit Opinions

□ Applicable √ Not applicable

2. Financial Statements

CONSOLIDATED BALANCE SHEET
30 September 2021

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

ITEM	30 September 2021	31 December 2020
Current assets:		
Cash and bank balances	17,142,180,689.06	22,740,631,687.08
Balances with clearing companies	–	–
Placements with banks and other financial institutions	–	–
Held-for-trading financial assets	–	–
Derivative financial assets	–	–
Bills receivable	–	–
Accounts receivable	20,650,013,070.91	18,290,953,101.67
Receivables for financing	975,995,141.96	2,230,124,457.61
Prepayments	859,601,090.56	605,757,702.28
Premiums receivable	–	–
Reinsurance accounts receivable	–	–
Deposits receivable from reinsurance treaty	–	–
Other receivables	1,386,076,050.14	1,476,276,378.69
Including: Interest receivable	–	–
Dividends receivable	19,300,000.00	14,040,000.00
Financial assets held under resale agreements	–	–
Inventories	2,811,656,049.68	2,489,187,213.72
Contract assets	38,993,690,998.47	36,043,391,206.89

ITEM	30 September 2021	31 December 2020
Assets held for sale	–	–
Non-current assets due within one year	88,559,018.01	145,843,169.16
Other current assets	1,212,128,978.05	1,046,543,972.68
Total current assets	84,119,901,086.84	85,068,708,889.78
Non-current assets:		
Loans and advances to customers	–	–
Debt investment	273,172,183.50	273,172,183.50
Other debt investment	–	–
Long-term receivables	4,623,932,065.45	8,384,707,579.19
Long-term equity investments	1,329,758,759.75	1,109,033,216.35
Other equity instrument investment	1,042,926,047.20	1,019,867,488.13
Other non-current financial assets	–	–
Investment properties	275,912,139.02	211,520,858.93
Fixed assets	4,129,019,878.19	4,204,231,031.03
Construction in progress	1,408,513,897.89	1,421,305,987.45
Productive biological assets	–	–
Oil and gas assets	–	–
Right-of-use-assets	157,042,811.54	139,559,591.19
Intangible assets	2,439,465,893.13	2,507,196,579.31
Development expenditure	307,626,532.20	139,208,125.21
Goodwill	305,324,128.58	305,324,128.58
Long-term prepaid expenses	34,453,301.44	52,132,184.27
Deferred tax assets	292,376,427.66	288,190,592.17
Other non-current assets	4,617,575,799.00	203,923,885.50
Total non-current assets	21,237,099,864.55	20,259,373,430.81
Total assets	105,357,000,951.39	105,328,082,320.59

ITEM	30 September 2021	31 December 2020
Current liabilities:		
Short-term borrowings	27,000,000.00	491,584,392.53
Borrowings from central bank	–	–
Placements from banks and other financial institutions	–	–
Held-for-trading financial liabilities	–	–
Derivative financial liabilities	–	–
Bills payable	2,436,620,555.11	1,974,383,429.57
Accounts payable	45,059,094,340.42	44,705,884,497.10
Advance receipts	–	–
Contract liabilities	8,413,507,828.64	6,832,166,619.11
Financial assets sold for repurchase	–	–
Customers deposits and deposits from banks and other financial institutions	–	–
Amount paid for agency securities trading	–	–
Amount paid for agency securities underwriting	–	–
Employee benefits payable	650,210,429.98	600,135,460.14
Tax payable	607,899,769.67	930,587,455.57
Other payables	2,468,170,618.01	1,979,340,519.78
Including: Interest payable	–	–
Dividends payable	10,195,434.20	–
Fees and commissions payable	–	–
Reinsurance accounts payable	–	–
Liabilities held for sale	–	–
Non-current liabilities due within one year	247,526,218.15	216,094,781.87
Other current liabilities	423,361,593.74	338,315,519.02
Total current liabilities	60,333,391,353.72	58,068,492,674.69

ITEM	30 September 2021	31 December 2020
Non-current liabilities:		
Insurance contract reserve	–	–
Long-term borrowings	2,365,841,121.60	1,995,641,575.20
Bonds payable	–	–
Including: Preference shares	–	–
Perpetual bonds	–	–
Lease liabilities	128,316,719.98	80,677,106.29
Long-term payables	66,862,421.04	77,846,656.30
Long-term employee benefits payable	574,005,000.00	574,084,000.00
Provisions	35,745,432.37	41,449,064.17
Deferred income	174,341,087.84	150,934,432.75
Deferred tax liabilities	42,662,651.21	41,619,296.79
Other non-current liabilities	–	–
Total non-current liabilities	3,387,774,434.04	2,962,252,131.50
Total liabilities	63,721,165,787.76	61,030,744,806.19

ITEM	30 September 2021	31 December 2020
Shareholders' equity:		
Share capital	10,589,819,000.00	10,589,819,000.00
Other equity instruments	–	2,800,000,000.00
Including: Preference shares	–	–
Perpetual bonds	–	2,800,000,000.00
Capital reserve	15,964,304,189.86	15,964,304,189.86
Less: treasury stocks	–	–
Other comprehensive income	–189,646,120.24	–207,690,607.13
Special reserve	271,013,964.45	306,215,150.31
Surplus reserve	1,597,958,257.98	1,597,958,257.98
General risk reserve	–	–
Retained earnings	11,710,068,757.88	11,512,862,059.38
Total equity attributable to Shareholders of the parent company	39,943,518,049.93	42,563,468,050.40
Non-controlling interests	1,692,317,113.70	1,733,869,464.00
Total Shareholders' equity	41,635,835,163.63	44,297,337,514.40
Total liabilities and Shareholders' equity	105,357,000,951.39	105,328,082,320.59

Person-in-charge of the Company: ZHOU Zhiliang

Chief Financial Officer: HU Shaofeng

Head of Accounting Department: ZHANG Shihu

Consolidated Statement of Profit or Loss and Other Comprehensive Income
January to September 2021

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

ITEM	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
1. Total revenue	25,334,693,307.89	23,924,374,284.37
Including: Revenue	25,334,693,307.89	23,924,374,284.37
Interest income	–	–
Premiums earned	–	–
Fees and commissions income	–	–
2. Total cost of sales	22,329,806,968.78	20,671,131,707.79
Including: Cost of sales	19,400,102,494.02	18,095,639,488.19
Interest expenses	–	–
Fees and commissions expense	–	–
Surrenders	–	–
Net payments for insurance claims	–	–
Net provisions for insurance contract reserve	–	–
Policy dividend expenses	–	–
Reinsurance costs	–	–
Taxes and surcharges	152,757,926.95	150,344,996.49
Selling and distribution expenses	559,924,406.50	488,941,576.43
General and administrative expenses	1,484,739,563.85	1,363,211,928.51
Research and development expenses	977,813,595.54	830,575,208.89
Finance costs	–245,531,018.08	–257,581,490.72
Including: Interest expenses	19,726,372.34	25,548,681.71
Interest income	307,429,759.94	333,186,500.32

ITEM	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Add: Other income	161,460,688.89	143,462,856.78
Investment income (with "-" for losses)	42,050,847.44	45,719,012.13
Including: Share of profits of associates and joint ventures	41,570,620.96	46,368,600.09
Derecognition of income from financial assets at amortized cost	–	–
Foreign exchange gains (with "-" for losses)	–	–
Net gains from hedging exposure (with "-" for losses)	–	–
Gains from changes in fair value (with "-" for losses)	–	–
Credit impairment losses (with "-" for losses)	–57,924,189.32	–29,963,070.49
Assets impairment losses (with "-" for losses)	3,975,472.00	–
Gains from disposal of assets (with "-" for losses)	26,466,040.51	25,956,345.65
3. Operating profits (with "-" for losses)	3,180,915,198.63	3,438,417,720.65
Add: Non-operating income	36,226,844.53	17,255,323.59
Less: Non-operating expenses	13,323,669.63	3,370,286.59
4. Total profits (with "-" for total losses)	3,203,818,373.53	3,452,302,757.65
Less: Income tax expenses	533,277,594.47	537,539,834.35

ITEM	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
5. Net profit (with "-" for net loss)	2,670,540,779.06	2,914,762,923.30
(I) Classified by continuity of operation		
1. Net profit from continuing operation (with "-" for net loss)	2,670,540,779.06	2,914,762,923.30
2. Net profits from discontinued operations (with "-" for net loss)	–	–
(II) Classified by the ownership		
1. Net profit attributable to the owners of the parent company (with "-" for net loss)	2,409,215,855.80	2,652,145,209.96
2. Profit or loss attributable to non-controlling interests (with "-" for net loss)	261,324,923.26	262,617,713.34
6. Net other comprehensive income, net of tax	18,044,486.89	–10,391,229.44
(I) Net other comprehensive income attributable to the owners of the parent company, net of tax	18,044,486.89	–10,391,229.44
1. Other comprehensive income not to be reclassified to profit or loss	–53,000.00	–20,334,000.00
(1) Changes of re-measurement of defined benefit plans	–53,000.00	–20,334,000.00
(2) Other comprehensive income under equity method that cannot be reclassified into profit or loss	–	–
(3) Changes in fair value of other equity instrument investments	–	–
(4) Changes in fair value of the Company's own credit risk	–	–
2. Other comprehensive income to be reclassified to profit or loss	18,097,486.89	9,942,770.56
(1) Other comprehensive income under equity method that can be reclassified into profit or loss	–	–
(2) Changes in fair value of other debt investments	–	–
(3) The amount of financial assets reclassified into other comprehensive income	–	–

ITEM	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
(4) Credit impairment provisions for other debt investments	–	–
(5) Hedging reserve arising from cash flows	19,687,943.67	8,440,875.97
(6) Exchange differences on translation of foreign operations	–64,093.00	–143,399.60
(7) Others	–1,526,363.78	1,645,294.19
(II) Other comprehensive income attributable to non-controlling interests, net of tax	–	–
7. Total comprehensive income	2,688,585,265.95	2,904,371,693.86
(I) Total comprehensive income attributable to Shareholders of the parent company	2,427,260,342.69	2,641,753,980.52
(II) Total comprehensive income attributable to non-controlling interests	261,324,923.26	262,617,713.34
8. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.22	0.24
(II) Diluted earnings per share (RMB/share)	0.22	0.24

For the business combination under common control during the current period, net profit of the acquiree realized before business combination was RMB0. Net profit of the acquiree realized during the last period was RMB0.

Person-in-charge of the Company:	Chief Financial Officer:	Head of Accounting Department:
ZHOU Zhiliang	HU Shaofeng	ZHANG Shihu

CONSOLIDATED STATEMENT OF CASH FLOWS

January to September 2021

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
1. Cash flows generated from operating activities:		
Cash received from the sale of goods or rendering of services	28,365,316,172.34	25,589,455,300.15
Net increase in customer deposits received and interbank deposits	–	–
Net increase in borrowings from central bank	–	–
Net increase in placements from other financial institutions	–	–
Cash received from original insurance contract premium	–	–
Net cash received from reinsurance business	–	–
Net increase in savings and investment funds	–	–
Interests, service charges and commission received	–	–
Net increase in placements	–	–
Net increase of returned business capital	–	–
Net cash received from accounts payables to brokerage clients	–	–
Refunds of tax	212,869,874.49	158,907,531.80
Cash received relating to other operating activities	818,105,442.62	881,962,232.99
Subtotal of cash inflows from operating activities	29,396,291,489.45	26,630,325,064.94
Cash paid for goods and services	21,422,204,037.20	20,382,618,916.73
Net increase in loans and advances to customers	–	–
Net increase in deposits with the central bank and interbank funds	–	–
Cash paid for original insurance contract compensation	–	–
Net increase in placements with banks and other financial institutions	–	–

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Interests, service charges and commission paid	–	–
Cash paid for bonus of guarantee slip	–	–
Cash paid to and on behalf of employees	3,635,099,680.63	3,142,609,307.07
Cash paid for all taxes	1,782,338,381.84	1,671,245,637.03
Cash paid relating to other operating activities	2,211,209,856.85	2,101,952,508.28
Subtotal of cash outflows from operating activities	29,050,851,956.52	27,298,426,369.11
Net cash flows generated from operating activities	345,439,532.93	–668,101,304.17
2. Cash flows generated from investing activities:		
Cash received from disposal of investments	–	5,693,165.69
Cash received from return on investment	64,521,792.99	30,278,935.88
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	61,159,141.22	32,549,098.67
Net cash from disposal of subsidiaries and other operating units	–	–
Cash received relating to other investing activities	1,095,539,261.38	1,764,183,397.56
Subtotal of cash inflows from investing activities	1,221,220,195.59	1,832,704,597.80
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	283,137,473.25	1,352,491,685.03
Cash paid for investments	245,593,849.07	90,723,680.00
Net increase in pledged loan	–	–
Net cash paid on acquisition of subsidiaries and other operating units	–	–
Cash paid relating to other investing activities	20,000,000.00	15,625,481.80
Subtotal of cash outflows from investing activities	548,731,322.32	1,458,840,846.83
Net cash flows generated from investing activities	672,488,873.27	373,863,750.97

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
3. Cash flows generated from financing activities:		
Cash received as capital contributions	–	10,000,000.00
Including: Cash received by subsidiaries from minority shareholders' investment	–	10,000,000.00
Cash received from borrowings	322,740,000.00	898,022,381.76
Cash received from other financing activities	–	–
Subtotal of cash inflows from financing activities	322,740,000.00	908,022,381.76
Cash paid on repayments for borrowings	486,332,984.80	528,634,481.38
Cash paid for distribution of dividends or profits and for interest expenses	2,561,088,958.96	2,506,399,107.87
Including: Dividend and profit of minority shareholder paid by subsidiaries	1,058,644,106.36	1,016,659,585.81
Cash paid for other financing activities	2,962,057,017.15	190,933,110.92
Subtotal of cash outflows from financing activities	6,009,478,960.91	3,225,966,700.17
Net cash flows generated from financing activities	–5,686,738,960.91	–2,317,944,318.41
4. Effect of foreign exchange rate changes on cash and cash equivalents	–11,783,653.30	–21,166,838.91
5. Net increase in cash and cash equivalents	–4,680,594,208.01	–2,633,348,710.52
Add: Balance of cash and cash equivalents at the beginning of the period	18,184,861,073.07	17,854,952,684.12
6. Balance of cash and cash equivalents at the end of the period	13,504,266,865.06	15,221,603,973.60

Person-in-charge of the Company: ZHOU Zhiliang   Chief Financial Officer: HU Shaofeng   Head of Accounting Department: ZHANG Shihu

(2) Relevant information about adjustment to the initial adoption of financial statements of the beginning of the current year by the initial adoption of new lease standards since 2021

☐ Applicable ✓ Not applicable

It is hereby announced as above.

Board of China Railway Signal & Communication Corporation Limited*
27 October 2021

* *For identification only*