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 2021

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 2021 (the "**Reporting Period**"), 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 quarterly report, and severally and jointly accept legal responsibility for the authenticity, accuracy and completeness of the information contained in this quarterly report.

1.2 Mr. CHEN Yun, person in charge of the Company, Mr. SUN Cui, person in charge of accounting affairs and Mr. MA Yonghong, 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

Main Accounting Data and Financial Indicators

Unit: '000 Currency: RMB

Item	Reporting Period *(Note)*	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	271,320,204	-0.10	767,925,918	11.86
Net profit attributable to shareholders of the Company	7,550,431	15.05	20,646,544	13.07
Net profit attributable to shareholders of the Company excluding non-recurring gains and losses	7,524,715	15.28	19,329,469	13.31
Net cash generated from operating activities	N/A	N/A	-49,821,085	N/A
Basic earnings per share *(RMB/share)*	0.277	4.53	0.731	5.94
Diluted earnings per share *(RMB/share)*	0.277	4.53	0.731	5.94
Weighted average net assets yield *(%)*	2.96	decreased by 0.15 percentage point	8.22	decreased by 0.3 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	1,350,991,993	1,200,122,108	12.57
Owners' equity attributable to shareholders of the Company	274,765,504	255,344,830	7.61

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

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 (including the write-off of provision for asset impairment)	27,119	218,746
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)	141,860	805,898
Interest income received from non-financial enterprises as included in profit and loss of current period	123,517	952,016
Debt restructuring gains or losses	26,769	26,897
Gains or losses on changes in fair value arising from the holding of trading financial assets and trading financial liabilities (excluding the valid hedging business relating to the Company's business), as well as investment gains from disposal of trading financial assets, trading financial liabilities, and available-for-sale financial assets	217,694	76,013
Reversal of impairment of trade receivables under individual impairment testing	17,652	325,896
Other net non-operating income and expenses	-522,571	-661,322
Less: Impact of income tax	34,964	439,025
Impact of minority interests (after tax)	-28,640	-11,956
Total	25,716	1,317,075

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

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	Mainly caused by the delay of payment by some engineering project owners; at the same time, in order to ensure the orderly advancement of production and operation, necessary material reserves were made, and payment to supplier was made in a timely manner according to the terms of the contract.

3 SHAREHOLDER INFORMATION

Total number of shareholders with ordinary shares at the end of the Reporting Period	570,105
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 *(Note 1)*	State-owned legal entity	11,598,764,390	47.21	0	None	0
HKSCC Nominees Limited *(Note 2)*	Other	4,009,227,563	16.32	0	None	0
China Securities Finance Corporation Limited	State-owned legal entity	619,264,325	2.52	0	None	0
China Reform Holdings Corporation Ltd.	State-owned legal entity	387,050,131	1.58	0	None	0
China Great Wall Asset Management Co., Ltd.	State-owned legal entity	372,192,507	1.51	0	None	0
Hong Kong Securities Clearing Company Limited *(Note 3)*	Other	344,470,305	1.40	0	None	0
Central Huijin Asset Management Ltd.	State-owned legal entity	235,455,300	0.96	0	None	0
China Orient Asset Management Co., Ltd.	State-owned legal entity	223,271,744	0.91	0	None	0
China Structural Reform Fund Co., Ltd.	State-owned legal entity	173,296,399	0.71	0	None	0
Bosera Funds – ABC –Bosera China Securities and Financial Assets Management Program	Other	131,135,600	0.53	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
E Fund – ABC – E Fund China Securities and Financial Asset Management Program	Other	131,135,600	0.53	0	None	0
Da Cheng Fund – ABC – Da Cheng China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0
Harvest Fund – ABC – Harvest China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0
GF Fund – ABC – GF China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0
Zhong Ou Fund – ABC – Zhong Ou China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0
Huaxia Fund – ABC – Huaxia China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0
Yinhua Fund – ABC –Yinhua China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0
Southern Fund – ABC – Southern China Securities and Financial Assets Management Program	Other	131,135,600	0.53	0	None	0

Particulars of shareholding of the top ten shareholders without selling restrictions

Name of shareholder	Number of tradable shares held without selling restrictions	Type and quantity of shares Type of shares	Quantity
China Railway Engineering Group Company Limited *(Note 1)*	11,434,370,390	RMB-dominated ordinary shares	11,434,370,390
China Railway Engineering Group Company Limited *(Note 1)*	164,394,000	Overseas listed foreign shares	164,394,000
HKSCC Nominees Limited *(Note 2)*	4,009,227,563	Overseas listed foreign shares	4,009,227,563
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
China Great Wall Asset Management Co., Ltd.	372,192,507	RMB-dominated ordinary shares	372,192,507
Hong Kong Securities Clearing Company Limited *(Note 3)*	344,470,305	RMB-dominated ordinary shares	344,470,305
Central Huijin Asset Management Ltd.	235,455,300	RMB-dominated ordinary shares	235,455,300
China Orient Asset Management Co., Ltd.	223,271,744	RMB-dominated ordinary shares	223,271,744
China Structural Reform Fund Co., Ltd.	173,296,399	RMB-dominated ordinary shares	173,296,399
Bosera Funds – ABC –Bosera China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
E Fund – ABC – E Fund China Securities and Financial Asset Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
Da Cheng Fund – ABC – Da Cheng China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
Harvest Fund – ABC – Harvest China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
GF Fund – ABC – GF China Securities and Financial Assets Management Program	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 shares Type of shares	 Quantity
Zhong Ou Fund – ABC – Zhong Ou China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
Huaxia Fund – ABC – Huaxia China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
Yinhua Fund – ABC –Yinhua China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
Southern Fund – ABC – Southern China Securities and Financial Assets Management Program	131,135,600	RMB-dominated ordinary shares	131,135,600
Statement on the related relations and concerted actions between the shareholders above	China Railway Engineering Group Company Limited, the controlling shareholder of the Company, does not have connected relations or perform concerted actions with the above other shareholders. The Company is not aware of any related relationships or concerted action relationships between the 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)	None		

Note:

1. *11,598,764,390 shares of the Company held by China Railway Engineering Group Company Limited include 11,434,370,390 A shares and 164,394,000 H shares.*

2. *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 China Railway Engineering Group Company Limited.*

3. *A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of its various clients.*

4. *The numbers shown in the table are based on the register of member of the Company as at 30 September 2021.*

4 OTHER MAJOR INFORMATION

4.1 Macro-economic Situation

In the third quarter of 2021, risks and challenges were on the rise, both domestically and internationally, the global pandemic continued to spread, and the recovery momentum of international economy slowed down, while international commodity prices have been maintained at a high level. At the same time, some areas of China have encountered multiple impacts of epidemic and floods, and the pressure from economic transformation and adjustment has emerged. In the face of complex situation, all regions and departments earnestly implemented the decisions and deployments made by the Central Committee of the Communist Party of China and the State Council, intensified efforts to stabilize investment and promote transformation, enhanced the role of local government special bonds to drive the expansion of effective investment, which has contributed to the steady increase of fixed-asset investment, the maintenance of recovering momentum of national economy and the reasonable range of major macro indicators.

In the first three quarters of 2021, national fixed-asset investment (excluding rural households) was RMB39,782.7 billion, representing a year-on-year increase of 7.3% and an average increase of 3.8% in two years; infrastructure investment (excluding power, steam heat, gas and water production and supply) increased by 1.5% on a year-on-year basis; the accumulative fixed-asset investment in railway was RMB510.2 billion, representing a year-on-year decrease of 7.8%; the fixed-asset investment in highway increased by 4.9% on a year-to-year basis; the investment in manufacturing industry increased by 14.8% on a year-to-year basis and saw an average increase of 3.3% in two years; and investment in property development increased by 8.8% year-on-year and the average two-year growth rate was 7.2%. National commercial housing sales area was 1.30332 billion square meters, representing a year-on-year increase of 11.3% and an average increase of 4.6% in two years; the sales volume of commercial housing was RMB13,479.5 billion, representing a year-on-year increase of 16.6% and an average increase of 10.0% in two years.

4.2 Overall Operation of the Company

4.2.1 Value of New Contracts and Contracts Backlog

In the first three quarters, the Company entered into new contracts with a total value of RMB1,466.35 billion, representing a year-on-year increase of 8.3%. In terms of geographical distribution, the value of new contracts entered into for the domestic business was RMB1,385.69 billion, representing a year-on-year increase of 7.3%; and the value of new contracts entered into for the overseas business was RMB80.66 billion, representing a year-on-year increase of 28.2%. In terms of the business segments, the value of new contracts entered into for the infrastructure construction business was RMB1,268.82 billion, representing a year-on-year increase of 11.5%, among which the value of new contracts entered into for the railway business was RMB206.83 billion, representing a year-on-year increase of 12.0%; the value of new contracts entered into for the highway business was RMB159.13 billion, representing a year-on-year decrease of 21.2%; and the value of new contracts entered into for the municipal works and other business was RMB902.86 billion, representing a year-on-year increase of 20.1%. The value of new contracts entered into for the survey, design and consulting services business was RMB14.68 billion, representing a year-on-year decrease of 24.2%; the value of new contracts entered into for the engineering equipment and component manufacturing business was RMB42.98 billion, representing a year-on-year increase of 12.7%; the sales of the property development business was RMB43.89 billion, representing a year-on-year decrease of 2.0%; and the value of new contracts entered into for the other businesses was RMB95.98 billion, representing a year-on-year decrease of 15.4%.

As at the end of September, the Company's contract backlog amounted to RMB4,275.56 billion, representing an increase of 14.8% as compared with that as at the end of last year, among which RMB3,948.66 billion was from infrastructure construction business, which represented an increase of 13.0% as compared with that as at the end of last year; RMB56.74 billion was from survey, design and consulting services business, which represented an increase of 1.5% as compared with that as at the end of last year; RMB99.71 billion was from engineering equipment and component manufacturing business, which represented an increase of 39.7% as compared with that as at the end of last year.

4.2.2 Operation Performance

In the first three quarters, the Company achieved total operating revenue of RMB770.218 billion, representing a year-on-year increase of 11.83%, and the overall gross profit margin was 9.34%, representing a year-on-year increase of 0.12 percentage point. For the infrastructure construction business, the operating revenue was RMB682.844 billion, representing a year-on-year increase of 12.83%, and the gross profit margin was 7.87%, representing a year-on-year decrease of 0.62 percentage point. For the survey, design and consulting services business, the operating revenue was RMB11.845 billion, representing a year-on-year decrease of 4.68%, and the gross profit margin was 24.48%, representing a year-on-year decrease of 3.06 percentage points. For the engineering equipment and component manufacturing business, the operating revenue was RMB18.797 billion, representing a year-on-year increase of 7.75%, and the gross profit margin was 17.02%, representing a year-on-year decrease of 1.12 percentage points. For the property development business, the operating revenue was RMB21.859 billion, representing a year-on-year decrease of 7.89%, and the gross profit margin was 23.32%, representing a year-on-year decrease of 6.10 percentage points.

4.3 Other Important Information about the Operating Condition of the Company in the Reporting Period which requires attention from the Investors

Not Applicable

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 2021 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

29 October 2021

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 FINANCIAL STATEMENTS

Consolidated Balance Sheet
30 September 2021

Prepared by China Railway Group Limited

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

Item	30 September 2021	31 December 2020
Current assets:		
Cash and cash equivalents	148,561,324	174,768,285
Trading financial assets	6,297,621	5,057,604
Derivative financial assets	383,765	160,000
Bills receivables	7,872,822	5,537,542
Accounts receivables	132,250,139	107,876,645
Accounts receivables financing	529,426	522,438
Advances to suppliers	40,114,047	30,290,318
Other receivables	41,567,701	31,666,203
Among which: Interests receivables	965,705	702,514
Dividends receivables	49,749	15,795
Inventories	224,429,670	192,661,730
Contract assets	139,071,537	125,041,827
Non-current assets due within one year	31,255,324	28,612,838
Other current assets	51,380,260	39,591,506
Total current assets	823,713,636	741,786,936

Consolidated Balance Sheet (Continued)

Item	30 September 2021	31 December 2020
Non-current assets:		
Debt investments	17,026,055	18,772,757
Long-term receivables	14,598,447	41,141,254
Long-term equity investments	88,115,195	78,497,380
Investments in other equity instruments	14,955,860	9,668,029
Other non-current financial assets	12,633,582	10,563,975
Investment properties	14,364,168	14,503,633
Fixed assets	64,586,586	65,458,033
Construction in progress	7,997,632	5,938,983
Right-of-use assets	1,563,683	1,892,218
Intangible assets	99,736,611	77,620,259
Development expenditures	129,065	60,041
Goodwill	1,567,880	1,411,891
Long-term deferred expenses	1,212,072	1,216,585
Deferred income tax assets	10,222,562	9,332,666
Other non-current assets	178,568,959	122,257,468
Total non-current assets	527,278,357	458,335,172
Total assets	1,350,991,993	1,200,122,108
Current liabilities:		
Short-term borrowings	87,609,652	52,701,736
Trading financial liabilities	50,301	64,902
Bills payables	87,160,686	77,353,532
Accounts payables	310,917,175	307,211,812
Advances from customers	606,551	392,551
Contract liabilities	142,844,250	124,659,610
Deposit from customers and peers	3,448,080	3,395,951
Accrued payroll	3,542,614	3,776,514
Taxes payables	10,264,386	11,827,806
Other payables	86,794,469	74,392,819
Non-current liabilities due within one year	30,959,241	25,679,713
Other current liabilities	25,615,217	23,687,405
Total current liabilities	789,812,622	705,144,351

Consolidated Balance Sheet (Continued)

Item	30 September 2021	31 December 2020
Non-current liabilities:		
Long-term borrowings	152,872,682	119,970,402
Bonds payables	41,167,886	41,705,388
Lease liabilities	958,310	1,236,781
Long-term payables	13,930,088	13,451,123
Long-term accrued payrolls	2,355,149	2,481,586
Accrued liabilities	1,144,469	561,991
Deferred income	999,954	879,501
Deferred income tax liabilities	1,453,388	1,453,770
Other non-current liabilities	50,653	42,960
Total non-current liabilities	214,932,579	181,783,502
Total liabilities	1,004,745,201	886,927,853
Owners' Equity (or Shareholders' Equity):		
Paid-up capital (or Share capital)	24,570,929	24,570,929
Other equity instruments	52,529,127	46,738,385
Among which: Preference shares	0	0
Perpetual notes	52,529,127	46,738,385
Capital reserve	55,305,980	55,424,641
Less: Treasury stock	0	0
Other comprehensive income	-1,391,808	-1,076,346
Surplus reserve	11,585,080	11,585,080
General risk reserve	3,024,013	2,977,541
Accumulated profits	129,142,183	115,124,600
Owners' equity (or Shareholders' equity) attributable to owners' of the Company	274,765,504	255,344,830
Minority interests	71,481,288	57,849,425
Total owners' equity (or shareholders' equity)	346,246,792	313,194,255
Total liabilities and owners' equity (or shareholders' equity)	1,350,991,993	1,200,122,108

Person in charge of the Company: CHEN Yun
Person in charge of accounting affairs: SUN Cui
Person in charge of the accounting department: MA Yonghong

Consolidated Income Statement
January-September 2021

Prepared by China Railway Group Limited

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

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
1. Total operating revenue	770,218,114	688,762,791
Among which: Revenue	767,925,918	686,531,014
Interest income	851,105	849,426
Handling fees and commission revenue	1,441,091	1,382,351
2. Total operating costs	739,873,421	662,709,613
Among which: Cost of sales	697,693,183	624,863,558
Interest expenses	564,618	416,567
Tax and surcharges	3,752,729	3,824,641
Selling expenses	3,847,526	3,097,052
Administrative expenses	17,198,348	15,460,515
Research and development expenditures	13,666,744	12,014,967
Finance expenses	3,150,273	3,032,313
Among which: Interest expenses	4,649,167	3,936,191
Interest income	1,955,962	1,713,156
Add: Other gains	809,981	674,133
Investment gains (loss is marked with "-")	521,862	445,463
Among which: Investment gains from associates and joint ventures	2,089,498	1,021,871
Gain on derecognition of financial assets carried at amortized costs	-2,519,652	-1,739,070
Exchange gain (loss is marked with "-")	0	0
Hedging income on net exposure (loss is marked with "-")	0	0
Gain on changes in fair value (loss is marked with "-")	-213,739	327,326
Impairment on credit losses (loss is marked with "-")	-1,939,749	-1,459,090
Impairment loss on assets (loss is marked with "-")	-2,314,633	-2,319,974
Gain on disposal of assets (loss is marked with "-")	255,240	231,124
3. Profit from operations (loss is marked with "-")	27,463,655	23,952,160
Add: Non-operating income	769,299	626,923
Less: Non-operating expenses	1,088,589	601,805

Consolidated Income Statement (Continued)

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
4. Profit before tax (loss is marked with "-")	27,144,365	23,977,278
Less: Income tax expense	4,863,275	4,575,774
5. Net profit (net loss is marked with "-")	22,281,090	19,401,504
(1) By operation continuity		
1. Net profit from continuing operation (net loss is marked with "-")	22,281,090	19,401,504
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 "-")	20,646,544	18,260,162
2. Minority interests (net loss is marked with "-")	1,634,546	1,141,342
6. Other comprehensive income, net of tax	-455,214	-1,061,305
(1) Other comprehensive income attributable to owners of the Company, net of tax	-467,734	-938,296
1. Other comprehensive income which will not be reclassified to profit or loss	-401,482	-753,128
(i) Changes in remeasurement of defined benefit obligations	-479	-35,633
(ii) Other comprehensive income which will not be reclassified to profit or loss under the equity method	19,066	124,479
(iii) Changes in fair value of investments in other equity instruments	-420,069	-841,974
(iv) Changes in fair value of enterprise credit risk	0	0
2. Other comprehensive income which will be reclassified to profit or loss	-66,252	-185,168
(i) Other comprehensive income which will be reclassified to profit or loss under the equity method	185	440
(ii) Changes in fair value of other debt investments	0	0
(iii) Reclassification of financial assets recognized in other comprehensive income	0	0
(iv) Credit loss allowances for other debt investments	0	0
(v) Cash flow hedge reserve	0	35,475
(vi) Differences on translation of financial statements prepared in foreign currencies	-66,411	-228,024
(vii) Others	-26	6,941
(2) Other comprehensive income attributable to minority interests, net of tax	12,520	-123,009

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
7. Total comprehensive income	21,825,876	18,340,196
(1) Total comprehensive income attributable to owners of the Company	20,178,810	17,321,866
(2) Total comprehensive income attributable to minority interests	1,647,066	1,018,330
8. Earnings per share:		
(1) Basic earnings per share *(RMB/share)*	0.731	0.690
(2) Diluted earnings per share *(RMB/share)*	0.731	0.690

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 year was RMB Nil.

Person in charge of the Company: CHEN Yun
Person in charge of accounting affairs: SUN Cui
Person in charge of the accounting department: MA Yonghong

Consolidated Cash Flow Statement
January – September 2021

Prepared by China Railway Group Limited

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

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
1. Cash flow from operating activities:		
Cash received from sales of goods and services rendered	828,515,117	745,640,790
Net increase in deposits from customer and peers	52,129	2,120,767
Cash received from interests, handling fees and commission	2,292,196	2,231,777
Receipt of tax refund	1,389,304	350,549
Cash received relating to other operating activities	9,058,398	7,058,399
Sub-total of cash inflows from operating activities	841,307,144	757,402,282
Cash paid for purchase of goods and services received	759,902,167	675,798,584
Net increase in loans and advances to customers	750,000	1,749,368
Cash paid for interests, handling fees and commission	564,618	416,567
Cash paid to and on behalf of employees	56,505,979	48,182,060
Tax payments	25,970,270	18,030,126
Cash paid relating to other operating activities	47,435,195	51,034,715
Sub-total of cash outflows from operating activities	891,128,229	795,211,420
Net cash flow from operating activities	-49,821,085	-37,809,138
2. Cash flow from investing activities:		
Cash received from disposal of investments	5,178,837	5,160,050
Cash received from return on investments	1,324,717	628,011
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	855,240	712,688
Net cash receipts from disposal of subsidiaries and other business units	263,487	2,463,640
Cash received relating to other investing activities	4,184,463	4,241,433
Sub-total of cash inflows from investing activities	11,806,744	13,205,822
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	27,303,554	23,784,825
Cash paid for acquisition of investments	25,468,568	26,156,417
Cash paid relating to other investing activities	4,737,909	4,987,136
Sub-total of cash outflows from investing activities	57,510,031	54,928,378
Net cash flow from investing activities	-45,703,287	-41,722,556

Consolidated Cash Flow Statement (Continued)

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
3. Cash flow from financing activities:		
Cash received from investors	19,422,605	19,201,860
Among which: Cash received by subsidiaries for investment by minority shareholders	19,422,605	19,201,860
Cash received from borrowings	163,743,489	152,756,702
Cash received relating to other financing activities	35,227,824	36,042,455
Sub-total of cash inflows from financing activities	218,393,918	208,001,017
Cash paid for repayment of borrowings	122,726,681	119,532,644
Cash paid for dividends, profit distribution or interest payment	10,462,528	9,156,905
Among which: Dividends and profits paid to minority shareholders by subsidiaries	714,605	508,882
Cash paid relating to other financing activities	3,724,035	3,935,577
Sub-total of cash outflows from financing activities	136,913,244	132,625,126
Net cash flow from financing activities	81,480,674	75,375,891
4. Effect of foreign exchange rate changes on cash and cash equivalents	353,589	84,964
5. Net increase in cash and cash equivalents	-13,690,109	-4,070,839
Add: Balances of cash and cash equivalents at the beginning of the period	145,463,712	138,185,607
6. Balances of cash and cash equivalents at the end of the period	131,773,603	134,114,768

Person in charge of the Company: CHEN Yun
Person in charge of accounting affairs: SUN Cui
Person in charge of the accounting department: MA Yonghong

Company Balance Sheet
30 September 2021

Prepared by China Railway Group Limited

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

Item	30 September 2021	31 December 2020
Current assets:		
Cash and cash equivalents	45,575,747	47,355,242
Trading financial assets	77,554	45,367
Bills receivables	716	0
Accounts receivables	16,209,418	13,874,575
Advances to suppliers	4,096,228	3,092,510
Other receivables	17,949,515	12,209,842
Among which: Interests receivables	0	0
Dividends receivables	4,266,073	2,278,436
Inventories	17,410	9,881
Contract assets	7,623,032	6,278,211
Non-current assets due within one year	6,988,999	2,945,419
Other current assets	71,428,803	63,162,918
Total current assets	169,967,422	148,973,965
Non-current assets:		
Debt investments	18,364,415	21,700,392
Long-term receivables	1,024,857	972,315
Long-term equity investments	268,661,095	250,597,276
Investments in other equity instruments	2,182,333	2,060,233
Other non-current financial assets	302,037	391,287
Investment properties	118,582	121,327
Fixed assets	248,129	264,773
Construction in progress	92,606	22,399
Right-of-use assets	38,628	44,011
Intangible assets	577,725	606,437
Long-term deferred expenses	60,801	73,842
Deferred income tax assets	721,541	783,886
Other non-current assets	4,223,943	3,617,217
Total non-current assets	296,616,692	281,255,395
Total assets	466,584,114	430,229,360

Company Balance Sheet (Continued)

Item	30 September 2021	31 December 2020
Current liabilities:		
Short-term borrowings	23,174,270	8,450,000
Account payables	32,773,922	31,770,969
Contract liabilities	7,973,286	10,171,008
Accrued payroll	8,073	20,380
Taxes payables	397,914	563,046
Other payables	101,124,712	99,764,701
Among which: Interests payables	0	0
Dividends payables	1,852,000	246,709
Non-current liabilities due within one year	12,708,092	9,988,554
Other current liabilities	1,657,065	2,640,843
Total current liabilities	179,817,334	163,369,501
Non-current liabilities:		
Long-term borrowings	3,648,540	3,652,490
Bonds payables	34,700,846	31,947,674
Lease liabilities	30,886	35,468
Long-term payables	20,102,206	19,857,857
Long-term accrued payrolls	9,482	11,620
Deferred income	3,906	11,880
Total non-current liabilities	58,495,866	55,516,989
Total liabilities	238,313,200	218,886,490
Owners' Equity (or Shareholders' Equity):		
Paid-up capital (or Share capital)	24,570,929	24,570,929
Other equity instruments	52,511,844	46,738,385
Among which: Preference shares	0	0
Perpetual notes	52,511,844	46,738,385
Capital reserve	60,821,684	60,821,684
Other comprehensive income	-124,462	-140,461
Surplus reserve	10,913,699	10,913,699
Accumulated profits	79,577,220	68,438,634
Total owners' equity (or shareholders' equity)	228,270,914	211,342,870
Total liabilities and owners' equity (or shareholders' equity)	466,584,114	430,229,360

Person in charge of the Company: CHEN Yun
Person in charge of accounting affairs: SUN Cui
Person in charge of the accounting department: MA Yonghong

Company Income Statement
January-September 2021

Prepared by China Railway Group Limited

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

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
1. Revenue	46,140,111	46,649,049
Less: Cost of sales	43,407,250	43,938,309
Tax and surcharges	65,596	56,996
Administrative expenses	420,450	334,183
Research and development expenditures	13,893	11,911
Finance expenses	2,384,687	2,082,971
Among which: Interest expenses	2,670,407	2,552,533
Interest income	319,247	248,412
Add: Other gains	173	2,330
Investment income (loss is marked with “-”)	17,898,343	3,468,993
Among which: Investment income on associates and joint ventures	74,215	146,307
Gain on derecognition of financial assets carried at amortized costs	-80	-361,921
Gain on net open hedging position (loss is marked with “-”)	0	0
Gain on changes in fair value (loss is marked with “-”)	32,186	-11,342
Impairment on credit losses (loss is marked with “-”)	286,942	-560,165
Impairment loss on assets (loss is marked with “-”)	-5,778	-10,565
Gain on disposal of assets (loss is marked with “-”)	0	-7
2. Profit from operations (loss is marked with “-”)	18,060,101	3,113,923
Add: Non-operating income	7,100	3,072
Less: Non-operating expenses	1,520	133,854
3. Profit before tax (loss is marked with “-”)	18,065,681	2,983,141
Less: Income tax expense	530,891	326,293

Company Income Statement (Continued)

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
4. Net profit (net loss is marked with "-")	17,534,790	2,656,848
(1) Net profit from continuing operation (net loss is marked with "-")	17,534,790	2,656,848
(2) Net profit from discontinued operation (net loss is marked with "-")	0	0
5. Other comprehensive income, net of tax	15,999	-57,774
(1) Other comprehensive income which will not be reclassified to profit or loss	0	-50,042
1. Changes in remeasurement of defined benefit obligations	0	-190
2. Other comprehensive income which cannot be reclassified to profit or loss under the equity method	0	0
3. Changes in fair value of investments in other equity instruments	0	-49,852
4. Changes in fair value of enterprise credit risks	0	0
(2) Other comprehensive income which will be reclassified to profit or loss	15,999	-7,732
1. Other comprehensive income which will be reclassified to profit or loss under the equity method	0	0
2. Changes in fair value of other debt investments	0	0
3. Reclassification of financial assets recognized in other comprehensive income	0	0
4. Credit loss allowances for other debt investments	0	0
5. Cash flow hedge reserve	0	0
6. Differences on translation of financial statements prepared in foreign currencies	15,999	-7,732
7. Others	0	0
6. Total comprehensive income	17,550,789	2,599,074
7. Earnings per share:		
(1) Basic earnings per share *(RMB/share)*	N/A	N/A
(2) Diluted earnings per share *(RMB/share)*	N/A	N/A

Person in charge of the Company: CHEN Yun
Person in charge of accounting affairs: SUN Cui
Person in charge of the accounting department: MA Yonghong

Company Cash Flow Statement
January – September 2021

Prepared by China Railway Group Limited

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

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
1. Cash flow from operating activities:		
Cash received from sales of goods and services rendered	46,966,877	48,717,696
Receipt of tax refund	0	0
Cash received relating to other operating activities	885,201	952,113
Sub-total of cash inflows from operating activities	47,852,078	49,669,809
Cash paid for purchase of goods and services received	38,351,805	37,649,413
Cash paid to and on behalf of employees	566,208	494,148
Tax payments	1,141,726	1,005,505
Cash paid relating to other operating activities	7,474,537	3,240,663
Sub-total of cash outflows from operating activities	47,534,276	42,389,729
Net cash flow from operating activities	317,802	7,280,080
2. Cash flow from investing activities:		
Cash received from disposal of investments	12,615,230	11,858,217
Cash received from return on investments	3,286,505	2,298,456
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	0	138
Cash received relating to other investing activities	3,209,876	0
Sub-total of cash inflows from investing activities	19,111,611	14,156,811
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	56,754	55,108
Cash paid for acquisition of investments	33,701,748	33,241,403
Cash paid relating to other investing activities	0	0
Sub-total of cash outflows from investing activities	33,758,502	33,296,511
Net cash flow from investing activities	-14,646,891	-19,139,700

Company Cash Flow Statement (Continued)

Item	First three quarters of 2021 (January-September)	First three quarters of 2020 (January-September)
3. Cash flow from financing activities:		
Cash received from investors	0	0
Cash received from borrowings	37,108,099	47,741,828
Cash received relating to other financing activities	6,231,815	15,600,000
Sub-total of cash inflows from financing activities	43,339,914	63,341,828
Cash paid for repayment of borrowings	20,171,000	31,755,100
Cash paid for dividends, profit distribution or interest payment	7,032,727	6,229,615
Cash paid relating to other financing activities	0	9,001,458
Sub-total of cash outflows from financing activities	27,203,727	46,986,173
Net cash flow from financing activities	16,136,187	16,355,655
4. Effect of foreign exchange rate changes on cash and cash equivalents	-27,908	120,721
5. Net increase in cash and cash equivalents	1,779,190	4,616,756
Add: Balances of cash and cash equivalents at the beginning of the period	43,554,765	37,947,707
6. Balance of cash and cash equivalents at the end of the period	45,333,955	42,564,463

Person in charge of the Company: CHEN Yun
Person in charge of accounting affairs: SUN Cui
Person in charge of the accounting department: MA Yonghong

II SITUATION RELATING TO FIRST ADOPTION OF NEW LEASES STANDARD ON THE OPENING BALANCE OF FINANCIAL STATEMENTS IN THE YEAR OF FIRST ADOPTION SINCE 2021

Not applicable