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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)

2022 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 2022, 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.

This announcement contains the Chinese original version and English translation version of the “2022 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
“Reporting Period”	the period from 1 July 2022 to 30 September 2022
“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
28 October 2022

As at the date of this announcement, the executive Directors of the Company are Mr. ZHOU Zhiliang, Mr. XU Zongxiang and Mr. ZHANG Quan, 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. YAO Cho Fai Andrew and Mr. FU Junyuan.

* *For identification purpose only*

China Railway Signal & Communication Corporation Limited*

2022 Third Quarterly Report

The Board of Directors and all members thereof hereby warrant that there are no false representations or misleading statements contained in, or material omissions from, this announcement, and accept the legal 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.

Person-in-charge of the Company, Chief Financial Officer, and Head of the Finance Department (person in charge of accounting), hereby guarantee that the financial information contained in this quarterly report are true, accurate and complete.

Whether the third quarterly financial statements have been audited

Yes No

I. KEY FINANCIAL INFORMATION

1. Key accounting information 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	8,561,411,457.15	14.61	26,944,773,894.90	6.36
Net profit attributable to shareholders of listed company	667,112,771.41	17.30	2,601,196,845.33	7.97
Net profit attributable to the shareholders of listed company deducting non-recurring profit or loss	640,718,794.54	13.90	2,522,033,057.71	8.05
Net cash flows generated from operating activities	906,260,076.74	Not applicable	-184,912,689.20	Not applicable
Basic earnings per share (RMB per share)	0.07	16.67	0.25	13.64
Diluted earnings per share (RMB per share)	0.07	16.67	0.25	13.64
Weighted average return on net assets (%)	1.56	Increased by 0.22 percentage point	5.85	Increased by 0.28 percentage point
Total research and development investment	459,878,716.88	10.20	1,215,157,882.99	3.48
Percentage of research and development investment to revenue (%)	5.37	Decreased by 0.22 percentage point	4.51	Decreased by 0.13 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	114,294,596,476.86		108,942,588,838.30	4.91
Ownership interests attributable to shareholders of listed company	44,414,563,404.25		43,554,652,753.64	1.97

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	2,875,723.76	29,656,440.43	
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)	10,699,903.60	48,785,965.74	
Profit or loss from debt restructuring	-	11,320,931.24	
Reversal of the provisions for impairment of receivables and contract assets subject to individually impairment test	-	-	
Other non-operating income and expenses other than the above items	18,572,368.39	25,544,221.08	
Other profit or loss items that fall within the meaning of non-recurring profit or loss	-	-	
Less: Effect on income tax	3,804,075.44	19,602,284.94	
Effect on minority interests (after tax)	1,949,943.44	16,541,485.93	
Total	26,393,976.87	79,163,787.62	

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 information and financial indicators

Applicable Not applicable

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}		91,035		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 Shareholders	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	Nil	-
HKSCC NOMINEES LIMITED ^{Note 3}	Overseas corporation	1,967,738,950	18.58	-	-	Unknown	-
China Merchants Bank Co., Ltd – China AMC SSE STAR 50 Exchange Traded Fund	Others	89,985,824	0.85	-	-	Unknown	-
Hong Kong Securities Clearing Company Limited	Overseas corporation	87,479,329	0.83	-	-	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	38,094,556	0.36	-	-	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}	1,967,738,950	Overseas listed foreign shares	1,967,738,950
China Merchants Bank Co., Ltd – China AMC SSE STAR 50 Exchange Traded Fund	89,985,824	RMB ordinary shares	89,985,824
Hong Kong Securities Clearing Company Limited	87,479,329	RMB ordinary shares	87,479,329
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	38,094,556	RMB ordinary shares	38,094,556
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	13,499,153	RMB ordinary shares	13,499,153
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 91,035, and the number of H share registered shareholders was 227.

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 three quarters is set out as below:

Unit: 0'000 Currency: RMB

Business lines	Revenue			
	From January to September 2022	Corresponding period of the previous year	Increase/decrease in amount	Increase/decrease in ratio
Railway	1,197,186.86	1,237,564.59	-40,377.73	-3.26%
Urban transit	663,513.20	488,908.97	174,604.23	35.71%
Overseas businesses	94,503.36	44,282.04	50,221.32	113.41%
Construction contracting	734,097.83	757,714.77	-23,616.94	-3.12%
Other	5,176.14	4,998.96	177.18	3.54%
Total	2,694,477.39	2,533,469.33	161,008.06	6.36%

From January to September 2022, the aggregate amount of newly-signed external contracts amounted to RMB45.429 billion, representing an increase of 0.81% as compared to the corresponding period of last year. Among which, the value of newly-signed contracts in railway sector amounted to RMB13.096 billion, representing an increase of 27.44% as compared to the corresponding period of last year; the value of newly-signed contracts in urban transit sector amounted to RMB8.340 billion, representing a decrease of 9.62% as compared to the corresponding period of last year; the value of newly-signed contracts in overseas sector amounted to RMB0.180 billion, representing a decrease of 89.23% 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 RMB23.813 billion, representing a decrease of 0.33% as compared to the corresponding period of last year.

In the first three quarters in 2022, major projects mainly won by China Railway Signal & Communication Corporation Limited* in the railway sector included Hangzhou-Wenzhou Highspeed Railway Weak Electricity Project, Hangzhou-Wenzhou High-speed Railway Information Project, Hanzhong-Bazhong South High-speed Railway Weak Electricity Project, Beijing-Guangzhou High-speed Railway Safety Standard Demonstration Line Construction Project (京廣高鐵安全標準示範線建設工程), signal core equipment system integration of Jinan-Zhengzhou High-speed Railway, renovation of Golmud to Lhasa section of Qinghai-Tibet Railway, the electrification reconstruction of Yangquan-Shexian Railway and in sync major overhaul of Yangquan-Shexian Railway and Xiong'an-Shangqiu Railway Three Electric (三電) and pipeline relocation. CRSC timely seized the opportunity of the increasing construction of normal-speed railways in China, and actively planned for the normal-speed railway market in addition to the basis of consolidating the high-speed railway market, which contributed to a large increase in the amount of newly-signed external contracts in the railway sector.

The urban transit sector is stable and positive in general. Due to the epidemic, bidding was delayed by property owners from several regions. CRSC CASCO and Shanghai Engineering Bureau Group, two core subsidiaries in the Company's urban transit business, have limited market operations due to the pandemic in their regions. The amount of newly-signed external contracts decreased as compared to the corresponding period of last year, but market share remained ahead. CRSC CASCO and CRSC Urban Rail Transit, the subsidiaries of the Company, were firmly in the front rank in the industry of control system and undertook 16 projects in succession, including Xuzhou Subway Line 6, Changchun Subway Line 6, Shenyang Subway Line 3, Xiamen Subway Line 4, the second phase of Chengdu Line 17, Suzhou Subway Line 7 and the western extension of Shanghai Subway Line 2, etc., securing more than half of the national market share and continuing to extend the Company's leading advantage in the industry. On that basis, Shanghai Engineering Bureau Group had been awarded key projects such as the capacity expansion project of Beijing Subway Line 13, the signal construction project of Shanghai Rail Transit Line 3/4 Signal System Upgrading and Reconstruction Project, the upgrading and renovation of the video monitoring system of the first and second phases of Shenzhen Metro and the communication system integration projects for Chongqing Subway Line 18. CRSC Communication & Information Group Company Ltd.(通號通信信息集團有限公司) also undertook key projects such as Zhengzhou Subway Line 12, Fuzhou Subway Line 4, etc., making a significant supporting role to the stabilization and consolidation of the Company's urban transit business. In the fourth quarter, as property owners in various regions accelerated the progress of project bidding to complete the annual investment target, the Company is confident to seize market opportunities, consolidate its market share, and meet the annual growth target.

In the overseas market, due to the dual impacts of the domestic and overseas pandemic and the turmoil of the international situation, various key projects failed to carry out bidding and other relevant work at the predetermined time, resulting in a year-on-year decrease in the value of newly-signed external contracts. In the face of objective external factors, the Company proactively took actions capitalizing on its improving and establishing overseas business organizational structure and network layout to speed up and push forward the implementation of various key projects under tracking, so as to fully strive for the fourth quarter to accomplish our annual undertaking mission.

In the field of general contracting, the Company continued to carry through the control requirements under which relevant businesses should be strongly related to and vigorously boost main business and generate high returns, guided relevant subsidiaries to reasonably allocate market resources, adjust contract undertaking structure and further develop in economic developed areas, ensuring the risk of projects undertaken are controllable and quality of contracts, in order to appropriately improve the quality of projects undertaken on the basis of reasonably controlling the total number of projects.

IV. QUARTERLY FINANCIAL STATEMENTS

1. Status of Audit Opinions

Applicable Not applicable

2. Financial Statements

Consolidated Balance Sheet

30 September 2022

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	30 September 2022	31 December 2021
Current assets:		
Cash and bank balances	21,372,851,820.84	22,982,585,272.39
Accounts receivable	22,934,873,007.49	19,853,757,318.28
Receivables for financing	1,734,082,012.64	2,142,993,114.00
Prepayments	805,957,488.45	908,511,854.83
Other receivables	1,317,838,155.34	1,093,595,430.95
Including: Interest receivable	–	–
Dividends receivable	43,560,598.17	6,525,000.00
Inventories	2,795,636,822.75	2,492,752,472.50
Contract assets	40,729,839,789.84	37,318,249,499.32
Non-current assets due within one year	93,666,461.94	52,914,920.60
Other current assets	1,056,969,956.99	1,187,176,665.81
Total current assets	92,841,715,516.28	88,032,536,548.68

Items	30 September 2022	31 December 2021
Non-current assets:		
Debt investment	273,172,183.50	273,172,183.50
Long-term receivables	3,829,486,721.60	3,713,734,908.20
Long-term equity investments	1,499,485,983.10	1,378,223,747.06
Other equity instrument investment	1,136,490,828.00	1,124,819,159.20
Investment properties	269,006,618.76	284,692,545.57
Fixed assets	4,535,579,542.49	4,689,690,366.70
Construction in progress	818,637,782.59	800,282,649.47
Right-of-use-assets	121,418,249.60	172,627,457.06
Intangible assets	2,474,778,615.21	2,529,711,941.27
Development expenditure	297,913,231.76	213,250,203.11
Goodwill	305,324,128.58	305,324,128.58
Long-term prepaid expenses	47,740,937.18	50,007,280.33
Deferred tax assets	373,187,557.19	370,019,211.39
Other non-current assets	5,470,658,581.02	5,004,496,508.18
Total non-current assets	21,452,880,960.58	20,910,052,289.62
Total assets	114,294,596,476.86	108,942,588,838.30

Items	30 September 2022	31 December 2021
Current liabilities:		
Short-term borrowings	5,500,000.00	75,629,684.59
Bills payable	2,052,045,831.72	2,300,794,453.21
Accounts payable	48,131,116,824.91	46,455,196,868.52
Contract liabilities	8,875,964,798.74	7,238,346,058.76
Employee benefits payable	756,119,755.45	657,601,985.99
Tax payable	759,324,258.89	899,642,671.41
Other payables	1,601,665,158.02	1,063,620,223.11
Including: Interest payable	–	–
Dividends payable	99,296,111.34	–
Non-current liabilities due within one year	247,526,218.15	328,560,596.20
Other current liabilities	554,709,241.36	476,073,584.49
Total current liabilities	62,983,972,087.24	59,495,466,126.28
Non-current liabilities:		
Long-term borrowings	4,230,018,188.80	3,127,722,482.40
Lease liabilities	115,796,706.90	97,747,858.35
Long-term payables	63,649,212.03	62,593,424.21
Long-term employee benefits payable	525,791,564.81	530,775,000.00
Provisions	34,494,443.99	33,531,824.87
Deferred income	119,900,851.45	160,098,912.68
Deferred tax liabilities	51,329,193.25	63,277,288.05
Total non-current liabilities	5,140,980,161.23	4,075,746,790.56
Total liabilities	68,124,952,248.47	63,571,212,916.84

Items	30 September 2022	31 December 2021
Shareholders' equity:		
Share capital	10,589,819,000.00	10,589,819,000.00
Other equity instruments	2,796,935,660.38	2,796,935,660.38
Including: Preference shares	–	–
Perpetual bonds	2,796,935,660.38	2,796,935,660.38
Capital reserve	15,964,372,423.88	15,964,108,133.50
Less: treasury stocks	–	–
Other comprehensive income	-204,145,156.11	-183,635,652.68
Special reserve	312,056,283.24	267,880,349.13
Surplus reserve	1,811,324,694.45	1,811,324,694.45
Retained earnings	13,144,200,498.41	12,308,220,568.86
Total equity attributable to Shareholders of the parent company	44,414,563,404.25	43,554,652,753.64
Non-controlling interests	1,755,080,824.14	1,816,723,167.82
Total Shareholders' equity	46,169,644,228.39	45,371,375,921.46
Total liabilities and Shareholders' equity	114,294,596,476.86	108,942,588,838.30

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income
January to September 2022

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
1. Total revenue	26,944,773,894.90	25,334,693,307.89
Including: Revenue	26,944,773,894.90	25,334,693,307.89
2. Total cost of sales	23,733,946,107.12	22,329,806,968.78
Including: Cost of sales	20,834,150,826.94	19,400,102,494.02
Taxes and surcharges	150,664,105.58	152,757,926.95
Selling and distribution expenses	511,331,210.24	559,924,406.50
General and administrative expenses	1,486,887,214.40	1,484,739,563.85
Research and development expenses	1,080,916,105.83	977,813,595.54
Finance costs	-330,003,355.87	-245,531,018.08
Including: Interest expenses	44,229,730.07	19,726,372.34
Interest income	305,181,905.33	307,429,759.94
Add: Other income	308,045,922.28	161,460,688.89
Investment income (with “-” for losses)	88,735,863.59	42,050,847.44
Including: Share of profits of associates and joint ventures	77,421,946.14	41,570,620.96
Credit impairment losses (with “-” for losses)	-130,125,472.69	-57,924,189.32
Assets impairment losses (with “-” for losses)	-6,651,798.86	3,975,472.00
Gains from disposal of assets (with “-” for losses)	29,656,440.43	26,466,040.51

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
3. Operating profits (with “-” for losses)	3,500,488,742.53	3,180,915,198.63
Add: Non-operating income	30,524,882.87	36,226,844.53
Less: Non-operating expenses	4,980,661.79	13,323,669.63
4. Total profits (with “-” for total losses)	3,526,032,963.61	3,203,818,373.53
Less: Income tax expenses	577,777,922.95	533,277,594.47
5. Net profit (with “-” for net loss)	2,948,255,040.66	2,670,540,779.06
(I) Classified by continuity of operation		
1. Net profit from continuing operation (with “-” for net loss)	2,948,255,040.66	2,670,540,779.06
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)	2,601,196,845.33	2,409,215,855.80
2. Profit or loss attributable to non-controlling interests (with “-” for net loss)	347,058,195.33	261,324,923.26
6. Net other comprehensive income, net of tax	-20,509,503.43	18,044,486.89
(I) Net other comprehensive income attributable to the owners of the parent company, net of tax	-20,509,503.43	18,044,486.89
1. Other comprehensive income not to be reclassified to profit or loss	–	-53,000.00
(1) Changes of re-measurement of defined benefit plans	–	-53,000.00

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
2. Other comprehensive income to be reclassified to profit or loss	-20,509,503.43	18,097,486.89
(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	-	-
(4) Credit impairment provisions for other debt investments	-	-
(5) Hedging reserve arising from cash flows	-21,036,153.08	19,687,943.67
(6) Exchange differences on translation of foreign operations	1,099,651.18	-64,093.00
(7) Others	-573,001.53	-1,526,363.78
(II) Other comprehensive income attributable to non-controlling interests, net of tax	-	-
7. Total comprehensive income	2,927,745,537.23	2,688,585,265.95
(I) Total comprehensive income attributable to Shareholders of the parent company	2,580,687,341.90	2,427,260,342.69
(II) Total comprehensive income attributable to non-controlling interests	347,058,195.33	261,324,923.26
8. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.25	0.22
(II) Diluted earnings per share (RMB/share)	0.25	0.22

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: ZHOU Zhiliang
Chief Financial Officer: LI Lianqing
Head of Accounting Department: ZHANG Shihu

Consolidated Statement of Cash Flows

January to September 2022

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
1. Cash flows generated from operating activities:		
Cash received from the sale of goods or rendering of services	24,420,652,044.12	28,365,316,172.34
Interests, service charges and commission received	5,281,064.62	-
Refunds of tax	397,316,773.53	212,869,874.49
Cash received relating to other operating activities	1,620,538,438.73	818,105,442.62
Subtotal of cash inflows from operating activities	26,443,788,321.00	29,396,291,489.45
Cash paid for goods and services	19,206,530,068.97	21,422,204,037.20
Cash paid to and on behalf of employees	3,384,602,188.53	3,635,099,680.63
Cash paid for all taxes	1,680,559,371.42	1,782,338,381.84
Cash paid relating to other operating activities	2,357,009,381.28	2,211,209,856.85
Subtotal of cash outflows from operating activities	26,628,701,010.20	29,050,851,956.52
Net cash flows generated from operating activities	-184,912,689.20	345,439,532.93
2. Cash flows generated from investing activities:		
Cash received from return on investment	25,475,000.00	64,521,792.99
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	33,826,343.72	61,159,141.22
Cash received relating to other investing activities	1,742,265,597.36	1,095,539,261.38
Subtotal of cash inflows from investing activities	1,801,566,941.08	1,221,220,195.59
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	203,523,620.50	283,137,473.25
Cash paid for investments	67,625,000.00	245,593,849.07
Cash paid relating to other investing activities	437,933,345.72	20,000,000.00
Subtotal of cash outflows from investing activities	709,081,966.22	548,731,322.32
Net cash flows generated from investing activities	1,092,484,974.86	672,488,873.27

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
3. Cash flows generated from financing activities:		
Cash received as capital contributions	29,693,435.93	–
Including: Cash received by subsidiaries from minority shareholders' investment	29,693,435.93	–
Cash received from borrowings	1,311,940,000.00	322,740,000.00
Subtotal of cash inflows from financing activities	1,341,633,435.93	322,740,000.00
Cash paid on repayments for borrowings	256,410,030.88	486,332,984.80
Cash paid for distribution of dividends or profits and for interest expenses	2,115,352,689.35	2,561,088,958.96
Including: Dividend and profit of minority shareholder paid by subsidiaries	305,166,415.35	300,362,153.72
Cash paid for other financing activities	–	2,962,057,017.15
Subtotal of cash outflows from financing activities	2,371,762,720.23	6,009,478,960.91
Net cash flows generated from financing activities	-1,030,129,284.30	-5,686,738,960.91
4. Effect of foreign exchange rate changes on cash and cash equivalents	113,121,832.19	-11,783,653.30
5. Net increase in cash and cash equivalents	-9,435,166.45	-4,680,594,208.01
Add: Balance of cash and cash equivalents at the beginning of the period	17,595,724,106.74	18,184,861,073.07
6. Balance of cash and cash equivalents at the end of the period	17,586,288,940.29	13,504,266,865.06

Person-in-charge of the Company: ZHOU Zhiliang

Chief Financial Officer: LI Lianqing

Head of Accounting Department: ZHANG Shihu

Balance Sheet of the Parent Company
30 September 2022

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	30 September 2022	31 December 2021
Current assets:		
Cash and bank balances	13,924,788,509.42	17,821,358,618.20
Accounts receivable	1,611,857,752.36	1,949,665,011.07
Receivables for financing	76,830,812.69	162,628,503.49
Prepayments	205,690,399.97	178,067,195.29
Other receivables	9,274,904,407.34	6,569,134,199.92
Including: Interest receivable	–	–
Dividends receivable	1,081,320,230.31	356,533,862.95
Inventories	18,833,755.10	–
Contract assets	1,787,423,850.65	1,840,202,585.91
Non-current assets due within one year	20,024,083.20	–
Other current assets	91,609,426.97	151,428,268.78
Total current assets	27,011,962,997.70	28,672,484,382.66
Non-current assets:		
Debt investment	273,172,183.50	273,172,183.50
Long-term receivables	487,612,204.13	1,816,483,821.44
Long-term equity investments	19,298,487,632.24	17,197,354,628.64
Other equity instrument investment	476,408,221.20	476,408,221.20
Investment properties	1,432,001,858.56	1,460,482,054.68
Fixed assets	508,248,461.67	526,008,611.39
Construction in progress	9,199,876.28	9,199,876.28
Intangible assets	459,442,697.36	478,257,923.35

Items	30 September 2022	31 December 2021
Deferred tax assets	30,374,300.43	25,833,621.35
Other non-current assets	68,064,947.41	14,939,305.93
Total non-current assets	23,043,012,382.78	22,278,140,247.76
Total assets	50,054,975,380.48	50,950,624,630.42
Current liabilities:		
Bills payable	63,416,582.93	74,058,902.62
Accounts payable	4,032,391,576.37	4,335,980,609.76
Contract liabilities	1,196,307,112.57	1,122,506,270.37
Employee benefits payable	30,917,880.92	28,449,031.48
Tax payable	29,639,044.93	3,833,264.62
Other payables	10,110,156,235.50	11,135,484,672.18
Including: Interest payable	–	–
Dividends payable	–	–
Other current liabilities	28,787,573.85	29,551,335.32
Total current liabilities	15,491,616,007.07	16,729,864,086.35
Non-current liabilities:		
Long-term borrowings	800,000,000.00	800,000,000.00
Long-term employee benefits payable	62,073,564.81	66,977,000.00
Provisions	686,646.49	686,646.49
Deferred income	3,881,017.87	3,869,841.68
Total non-current liabilities	866,641,229.17	871,533,488.17
Total liabilities	16,358,257,236.24	17,601,397,574.52

Items	30 September 2022	31 December 2021
Shareholders' equity:		
Share capital	10,589,819,000.00	10,589,819,000.00
Other equity instruments	2,796,935,660.38	2,796,935,660.38
Including: Preference shares	–	–
Perpetual bonds	2,796,935,660.38	2,796,935,660.38
Capital reserve	16,356,470,432.63	16,356,470,432.63
Less: treasury stocks	–	–
Other comprehensive income	-48,199,210.69	-48,002,800.35
Special reserve	34,088,167.77	18,097,489.74
Surplus reserve	1,811,324,694.45	1,811,324,694.45
Retained earnings	2,156,279,399.70	1,824,582,579.05
Total Shareholders' equity	33,696,718,144.24	33,349,227,055.90
Total liabilities and Shareholders' equity	50,054,975,380.48	50,950,624,630.42

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

Statement of Profit or Loss and Other Comprehensive Income of the Parent Company
January to September 2022

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
1. Revenue	2,246,469,243.93	4,396,048,625.96
Less: Cost of sales	1,954,509,386.47	3,986,702,737.04
Taxes and surcharges	21,770,492.17	25,473,259.30
Selling and distribution expenses	450,026.79	4,753,866.68
General and administrative expenses	152,780,896.69	136,799,727.73
Research and development expenses	101,068,395.04	77,562,080.40
Finance costs	-294,911,768.61	-183,887,720.31
Including: Interest expenses	62,808,547.58	57,843,011.41
Interest income	250,301,135.92	251,967,690.42
Add: Other income	2,653,830.84	744,453.29
Investment income (with “-” for losses)	1,940,625,002.62	1,677,468,479.87
Including: Share of profits of associates and joint ventures	34,079,576.40	17,756,475.84
Credit impairment losses (with “-” for losses)	-25,203,523.43	-8,061,316.86
Assets impairment losses (with “-” for losses)	537,983.40	1,085,299.58
Gains from disposal of assets (with “-” for losses)	-14,625.00	3,977,506.70
2. Operating profits (with “-” for losses)	2,229,400,483.81	2,023,859,097.70
Add: Non-operating income	3,103,079.51	206,863.76
Less: Non-operating expenses	170.72	75,030.91
3. Total profits (with “-” for total losses)	2,232,503,392.60	2,023,990,930.55
Less: Income tax expenses	100,537,341.95	126,485,670.32

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
4. Net profit (with “-” for net loss)	2,131,966,050.65	1,897,505,260.23
(I) Net profit from continuing operation (with “-” for net loss)	2,131,966,050.65	1,897,505,260.23
(II) Net profit from discontinued operations (with “-” for net loss)	–	–
5. Net other comprehensive income, net of tax	-196,410.34	2,990.53
(I) Other comprehensive income not to be reclassified to profit or loss	–	–
(II) Other comprehensive income to be reclassified to profit or loss	-196,410.34	2,990.53
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	–	–
4. Credit impairment provisions for other debt investments	–	–
5. Hedging reserve arising from cash flows	–	–
6. Exchange differences on translation of foreign operations	-5,150.46	2,990.53
7. Others	-191,259.88	–
6. Total comprehensive income	2,131,769,640.31	1,897,508,250.76

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

Statement of Cash Flows of the Parent Company
January to September 2022

Prepared by: China Railway Signal & Communication Corporation Limited*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
1. Cash flows generated from operating activities:		
Cash received from the sale of goods or rendering of services	3,013,269,491.61	5,175,615,974.72
Refunds of tax	39,178,203.62	53,328,905.41
Cash received relating to other operating activities	275,094,704.18	2,075,487,985.58
Subtotal of cash inflows from operating activities	3,327,542,399.41	7,304,432,865.71
Cash paid for goods and services	3,025,393,168.51	4,112,671,878.13
Cash paid to and on behalf of employees	152,556,413.75	152,951,379.56
Cash paid for all taxes	152,833,989.22	192,013,575.14
Cash paid relating to other operating activities	652,319,829.28	2,337,784,417.61
Subtotal of cash outflows from operating activities	3,983,103,400.76	6,795,421,250.44
Net cash flows generated from operating activities	-655,561,001.35	509,011,615.27
2. Cash flows generated from investing activities:		
Cash received from return on investment	1,144,284,734.80	1,403,745,818.49
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	-	3,981,710.00
Cash received relating to other investing activities	4,234,663,967.72	296,596,687.99
Subtotal of cash inflows from investing activities	5,378,948,702.52	1,704,324,216.48
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	3,233,220.45	1,750,136.67
Cash paid for investments	2,067,053,427.20	-
Cash paid relating to other investing activities	3,707,774,766.47	723,839,604.69
Subtotal of cash outflows from investing activities	5,778,061,414.12	725,589,741.36
Net cash flows generated from investing activities	-399,112,711.60	978,734,475.12

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
3. Cash flows generated from financing activities:		
Subtotal of cash inflows from financing activities	–	–
Cash paid on repayments for borrowings	–	400,000,000.00
Cash paid for distribution of dividends or profits and for interest expenses	1,799,346,543.93	2,198,361,459.66
Cash paid for other financing activities	–	2,823,301,111.11
Subtotal of cash outflows from financing activities	1,799,346,543.93	5,421,662,570.77
Net cash flows generated from financing activities	-1,799,346,543.93	-5,421,662,570.77
4. Effect of foreign exchange rate changes on cash and cash equivalents	112,612,105.88	-10,498,616.82
5. Net increase in cash and cash equivalents	-2,741,408,151.00	-3,944,415,097.20
Add: Balance of cash and cash equivalents at the beginning of the period	12,986,584,160.42	12,903,700,620.01
6. Balance of cash and cash equivalents at the end of the period	10,245,176,009.42	8,959,285,522.81

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

Adjustments to financial statements at the beginning of the year upon initial adoption of new accounting standards or interpretation of standards since 2022

Applicable Not applicable

It is hereby announced as above.

Board of China Railway Signal & Communication Corporation Limited*
29 October 2022

* For identification purpose only