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

(Stock Code: 3898)

ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

The board of directors (the “**Board**”) of Zhuzhou CRRC Times Electric Co., Ltd. (the “**Company**”) is pleased to announce the unaudited operating results of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2019 set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi yuan) as follows.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2019

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and bank balances	4,869,479,672	4,394,379,150
Held-for-trading financial asset	801,527,945	1,603,855,068
Bills receivable	2,889,110,604	3,508,440,870
Trade receivables	7,666,532,076	6,485,964,593
Contract assets	244,944,311	193,098,466
Prepayments	704,785,853	416,359,549
Other receivables	141,006,483	106,146,467
Inventories	3,786,664,922	3,114,014,551
Other current assets	2,746,870,691	3,760,247,589
Total current assets	23,850,922,558	23,582,506,303

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 March 2019

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Other equity instrument investment	–	900,000
Long-term receivables	–	–
Long-term equity investments	462,158,005	464,017,479
Fixed assets	2,815,303,946	2,741,545,604
Construction in progress	148,684,901	275,081,681
Intangible assets	671,816,361	675,608,905
Development expenditure	188,733,449	188,436,535
Long-term deferred expenses	34,657,567	31,924,398
Goodwill	465,827,939	475,530,053
Deferred tax assets	442,480,193	397,748,652
Other non-current assets	210,671,027	201,222,966
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Total non-current assets	5,440,333,387	5,452,016,273
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TOTAL ASSETS	29,291,255,945	29,034,522,576
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 March 2019

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	173,971,649	168,246,814
Bills payable	1,844,134,265	2,349,473,616
Trade payables	4,020,100,399	3,185,104,692
Advances from customers	–	6,736,890
Contract liabilities	549,043,492	649,337,643
Employee benefits payable	128,566,159	135,840,963
Taxes payable	90,210,981	257,189,215
Other payables	492,648,511	669,071,995
Current portion of non-current liabilities	328,639,367	415,893,707
Total current liabilities	7,627,314,823	7,836,895,535
NON-CURRENT LIABILITIES		
Long-term borrowings	235,188,000	232,329,655
Long-term payables	41,525,173	41,525,173
Provisions	388,577,278	373,890,995
Deferred income	405,314,272	348,057,962
Deferred tax liabilities	53,208,014	54,475,133
Other non-current liabilities	38,278,882	23,833,959
Total non-current liabilities	1,162,091,618	1,074,112,877
Total liabilities	8,789,406,441	8,911,008,412

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)*31 March 2019*

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
SHAREHOLDERS' EQUITY		
Share capital	1,175,476,637	1,175,476,637
Capital reserve	3,329,818,283	3,369,786,540
Other comprehensive income	(127,846,132)	(138,081,853)
Special reserve	12,070,105	12,070,105
Surplus reserve	1,801,776,624	1,801,776,624
Retained earnings	<u>14,014,318,988</u>	<u>13,603,735,927</u>
Total equity attributable to shareholders of the Parent	<u>20,205,614,505</u>	19,824,763,980
Non-controlling interests	<u>296,234,999</u>	<u>298,750,184</u>
Total shareholders' equity	<u>20,501,849,504</u>	<u>20,123,514,164</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>29,291,255,945</u></u>	<u><u>29,034,522,576</u></u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2019

	For the three months ended 31 March 2019 (Unaudited)	For the three months ended 31 March 2018 (Unaudited)
Revenue	2,334,800,580	2,236,913,670
Less: Cost of sales	1,432,322,847	1,373,426,036
Taxes and surcharges	21,795,698	15,721,695
Selling expenses	161,754,475	121,999,057
Administrative expenses	117,684,968	144,762,203
Research and development expenses	207,585,380	218,387,125
Finance costs	(6,585,785)	1,589,134
Including: Interest expenses	4,105,099	1,119,625
Interest income	3,511,219	10,044,598
Asset impairment losses	16,640,491	16,289,072
Credit losses	(12,502,473)	(3,778,173)
Add: Gains/(losses) on fair value changes	(6,517,006)	(80,987)
Investment income	15,260,706	162,152
Including: share of profits and losses of associates and joint ventures	(1,397,208)	(8,225,912)
Losses on disposal of assets	113,253	1,688,155
Other income	57,762,188	55,455,962
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Operating profit	462,724,119	405,742,803
Add: Non-operating income	4,600,966	16,621,472
Less: Non-operating expenses	54,744	224,059
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Total profit	467,270,341	422,140,216
Less: Income tax expense	54,217,563	31,859,107
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Net profit	413,052,778	390,281,109
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Classified by business continuity		
Net profit from continuing operations	413,052,778	390,281,109
Classified by ownership		
Net profit attributable to shareholders of the Parent	410,583,061	381,213,346
Net profit attributable to non-controlling interests	2,469,717	9,067,762

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)*For the three months ended 31 March 2019*

	For the three months ended 31 March 2019 (Unaudited)	For the three months ended 31 March 2018 (Unaudited)
Other comprehensive income, net of tax		
Other comprehensive income attributable to shareholders of the Parent, net of tax		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Exchange fluctuation reserve	29,568,716	(18,106,890)
The amount of financial assets reclassified into other comprehensive income	(19,332,995)	–
Other comprehensive income attributable to non-controlling interests, net of tax	(1,514,666)	432,355
Total comprehensive income	421,773,833	372,606,573
Including:		
Total comprehensive income attributable to shareholders of the Parent	420,818,782	363,106,456
Total comprehensive income attributable to non-controlling interests	955,050	9,500,117
Earnings per share (Yuan/Share)	0.35	0.32

The Group's revenue increased by RMB97.9 million or 4.4% from RMB2,236.9 million for the three months ended 31 March 2018 to RMB2,334.8 million for the three months ended 31 March 2019.

The Group's gross profit increased by RMB39.0 million or 4.5% from RMB863.5 million for the three months ended 31 March 2018 to RMB902.5 million for the three months ended 31 March 2019. The Group's gross profit margin increased from 38.6% for the three months ended 31 March 2018 to 38.7% for the three months ended 31 March 2019. The gross profit margin remained stable.

Net profit attributable to the shareholders of the Parent increased by RMB29.4 million or 7.7% from RMB381.2 million for the three months ended 31 March 2018 to RMB410.6 million for the three months ended 31 March 2019. The increase in net profit attributable to the shareholders of the Parent was mainly due to the increase in the revenue during the year.

The Group's earnings per share increased by RMB0.03 or 9.4% from RMB0.32 for the three months ended 31 March 2018 to RMB0.35 for the three months ended 31 March 2019.

As at the date of this announcement, the immediate controlling shareholder of the Company is CRRC Zhuzhou Institute Co., Ltd. ("**CRRC ZELRI**") and the ultimate controlling shareholder is CRRC Group Co., Ltd. ("**CRRC Group**"). CRRC Group holds approximately 51.43% equity interest in CRRC Corporation Limited which holds approximately 52.38% equity interest in the Company through its four subsidiaries and holds, through CRRC ZELRI, CRRC Investment & Leasing Co., Ltd., CRRC Zhuzhou Locomotive Co., Ltd. and CRRC Hong Kong Capital Management Co., Limited approximately 50.16%, 0.80%, 0.85% and 0.57% equity interest in the Company, respectively.

REVIEW BY AUDIT COMMITTEE

The Group's unaudited results for the three months ended 31 March 2019 and this results announcement have been reviewed and confirmed by the audit committee of the Board.

GENERAL

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

By order of the Board

Li Donglin

Chairman

Zhuzhou, China, 25 April 2019

As at the date of this announcement, our chairman of the Board and executive Director is Li Donglin, our vice chairman of the Board and executive Director is Yang Shouyi, our other executive Directors are Liu Ke'an and Yan Wu, our non-executive Director is Zhang Xinning, and our independent non-executive Directors are Chan Kam Wing, Clement, Pao Ping Wing, Liu Chunru, Chen Xiaoming and Gao Feng.