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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 2020

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 2020 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 2020

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and bank balances	5,932,137,567	4,302,487,192
Held-for-trading financial assets	2,711,581,721	4,905,776,761
Bills receivable	2,362,529,128	2,726,110,422
Trade receivables	8,348,876,567	7,413,964,722
Contract assets	133,484,570	185,348,674
Trade receivables financing	1,949,657,527	2,554,953,370
Prepayments	412,831,490	325,425,161
Other receivables	157,946,111	106,498,054
Inventories	4,878,120,623	3,768,038,771
Other current assets	370,360,173	486,019,130
Total current assets	27,257,525,477	26,774,622,257

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*31 March 2020*

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
NON-CURRENT ASSETS		
Other equity instrument investment	93,572,550	2,400,000
Long-term receivables	–	–
Long-term equity investments	525,044,145	527,041,129
Fixed assets	2,889,162,399	2,982,555,754
Construction in progress	255,389,004	92,209,800
Right-of-use assets	93,081,246	106,551,628
Intangible assets	695,611,723	746,172,701
Development expenditure	217,456,579	205,708,046
Long-term deferred expenses	42,956,389	34,744,515
Goodwill	425,165,893	417,097,375
Deferred tax assets	450,770,477	431,128,139
Other non-current assets	590,837,997	665,384,012
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Total non-current assets	6,279,048,402	6,210,993,099
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TOTAL ASSETS	33,536,573,879	32,985,615,356
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

31 March 2020

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	187,347,153	146,596,015
Bills payable	2,357,080,422	2,282,345,169
Trade payables	4,954,168,606	4,391,411,209
Advances from customers	–	–
Contract liabilities	683,567,898	896,368,688
Employee benefits payable	130,647,814	150,388,408
Taxes payable	96,409,699	153,056,373
Other payables	832,547,897	857,451,744
Current portion of non-current liabilities	350,726,227	391,687,113
Other current liabilities	85,291,467	112,563,399
Total current liabilities	9,677,787,183	9,381,868,118
NON-CURRENT LIABILITIES		
Long-term borrowings	230,215,524	230,535,828
Lease liabilities	83,715,167	71,511,895
Long-term payables	16,517,630	16,517,630
Provisions	457,616,351	450,100,880
Deferred income	538,836,875	565,440,683
Deferred tax liabilities	45,464,387	49,592,228
Other non-current liabilities	28,684,438	23,768,937
Total non-current liabilities	1,401,050,372	1,407,468,081
Total liabilities	11,078,837,555	10,789,336,199

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*31 March 2020*

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
SHAREHOLDERS' EQUITY		
Share capital	1,175,476,637	1,175,476,637
Capital reserve	3,321,880,949	3,321,880,949
Other comprehensive income	(128,707,764)	(140,316,129)
Special reserve	19,461,888	17,509,972
Surplus reserve	2,072,158,058	2,072,158,058
Retained earnings	15,714,923,060	15,463,553,872
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Total equity attributable to shareholders of the parent	22,175,192,828	21,910,263,359
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Non-controlling interests	282,543,496	286,015,798
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Total shareholders' equity	22,457,736,324	22,196,279,157
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	33,536,573,879	32,985,615,356
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2020

	For the three months ended 31 March 2020 (Unaudited)	For the three months ended 31 March 2019 (Unaudited)
Revenue	1,752,200,857	2,334,800,580
Less: Cost of sales	1,069,749,252	1,432,322,847
Taxes and surcharges	12,702,551	21,795,698
Selling expenses	142,004,766	161,754,475
Administrative expenses	93,590,330	117,684,968
Research and development expenses	242,717,510	207,585,380
Finance costs	11,120,783	(6,585,785)
Add: Gains/(losses) on fair value changes	11,491,096	(6,517,006)
Investment income	23,117,945	15,260,706
Including: share of profits of associates and joint ventures	(4,793,152)	(1,397,208)
(Losses) Gains on disposal of assets	(493,084)	113,253
Loss on asset impairment	(18,475,697)	(16,640,491)
Loss on credit impairment	11,705,663	12,502,473
Other income	77,440,169	57,762,188
	285,101,757	462,724,119
Operating profit	285,101,757	462,724,119
Add: Non-operating income	4,876,091	4,600,966
Less: Non-operating expenses	161,260	54,744
	289,816,588	467,270,341
Total profit	289,816,588	467,270,341
Less: Income tax expense	42,298,550	54,217,563
	247,518,038	413,052,778
Net profit	247,518,038	413,052,778
Classified by business continuity		
Net profit from continuing operations	247,518,038	413,052,778
Classified by ownership		
Gains/(Losses) attributable to non-controlling interests	(3,851,150)	2,469,717
Net profit attributable to shareholders of the parent	251,369,188	410,583,061

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(Continued)

For the three months ended 31 March 2020

	For the three months ended 31 March 2020 (Unaudited)	For the three months ended 31 March 2019 (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	(15,659,606)	29,568,716
The amount of financial assets reclassified into other comprehensive income	27,267,971	(19,332,995)
Other comprehensive income attributable to non-controlling interests, net of tax	378,848	(1,514,666)
Total comprehensive income	<u>259,505,251</u>	<u>421,773,832</u>
Including:		
Total comprehensive income attributable to shareholders of the parent	<u>262,977,553</u>	<u>420,818,782</u>
Total comprehensive income attributable to non-controlling interests	<u>(3,472,302)</u>	<u>955,050</u>
Earnings per share (<i>Renminbi yuan/Share</i>)	<u>0.21</u>	<u>0.35</u>

The Group's revenue decreased by RMB582.6 million or 25.0% from RMB2,334.8 million for the three months ended 31 March 2019 to RMB1,752.2 million for the three months ended 31 March 2020.

The Group's gross profit decreased by RMB220.0 million or 24.4% from RMB902.5 million for the three months ended 31 March 2019 to RMB682.5 million for the three months ended 31 March 2020. The Group's gross profit margin increased from 38.7% for the three months ended 31 March 2019 to 39.0% for the three months ended 31 March 2020. The gross profit margin recorded a slight increase.

Net profit attributable to the shareholders of the parent decreased by RMB159.2 million or 38.8% from RMB410.6 million for the three months ended 31 March 2019 to RMB251.4 million for the three months ended 31 March 2020. The decrease in net profit attributable to the shareholders of the parent was mainly due to the decrease in revenue resulting from a delay in work resumption as affected by COVID-19.

The Group's earnings per share decreased by RMB0.14 or 40.0% from RMB0.35 for the three months ended 31 March 2019 to RMB0.21 for the three months ended 31 March 2020.

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 50.73% equity interest in CRRC Corporation Limited which indirectly holds an aggregate of approximately 53.19% equity interest in the Company through its four subsidiaries, i.e. by holding 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 1.38% equity interest in the Company, respectively.

REVIEW BY AUDIT COMMITTEE

The Group's unaudited results for the three months ended 31 March 2020 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, 24 April 2020

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.