

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 FIRST QUARTER ENDED 31 MARCH 2023**

The Board of Directors of China Railway Group Limited (the “**Company**”) announces the unaudited results (the “**First Quarterly Results**”) of the Company and its subsidiaries for the first quarter ended 31 March 2023 (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 report, and severally and jointly accept legal responsibility for the authenticity, accuracy and completeness of the information contained in this quarterly report.
- 1.2** The person in charge of the Company, the person in charge of accounting affairs and the 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 first quarterly report of the Company has not been audited.

2 MAIN FINANCIAL DATA

2.1 Main Accounting Data and Financial Indicators

Unit: '000 Currency: RMB

Item	Reporting Period		Change compared with the same period of previous year (%)
Revenue		271,973,839	2.04
Net profit attributable to the shareholders of the Company		7,878,535	3.84
Net profit attributable to shareholders of the Company excluding non-recurring gains and losses		7,413,287	0.94
Net cash generated from operating activities		-38,024,251	Not applicable
Basic earnings per share (RMB/share)		0.305	3.74
Diluted earnings per share (RMB/share)		0.305	3.74
Weighted average net assets yield (%)		2.92	decreased by 0.20 percentage point
	At the end of the Reporting Period	At the end of the previous year	Change compared with the same period of previous year (%)
Total assets	1,656,062,603	1,613,165,843	2.66
Owner's equity attributable to shareholders of the Company	308,739,082	301,230,469	2.49

2.2 Non-recurring Profit and Loss Items and Amount:

Unit: '000 Currency: RMB

Item	Reporting Period
Gains or losses from the disposal of non-current assets	249,079
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	100,160
Interest income received from non-financial enterprises as included in profit and loss of current period	160,642
Debt restructuring gains or losses	12,751
Gains or losses on changes in fair value arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities and derivative financial liabilities (excluding the valid hedging business relating to the Company's normal business), as well as investment gains from disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investments	1,652
Reversal of impairment of trade receivables and contract assets under individual impairment testing	68,625
Other net non-operating income and expenses	26,577
Less: Impact of income tax	-155,083
Impact of minority interests (after tax)	845
Total	<u>465,248</u>

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

2.3 Reason for the change in Main Accounting Data, Financial Indicators

Item	Change (%)	Main reasons
Cash and cash equivalents	-17.91	The first reason was due to the payments of project, labor and material costs in a short period of time before the Spring Festival; the second reason was that the collection of payment from some project owners was delayed due to their shortage of funds.
Accounts receivable	21.24	The first reason was the normal push by the expansion in operating scale; the second reason was that some project owners were late in making payments.
Short-term borrowings	14.11	The main reason was to replenish the working capital.

3. SHAREHOLDER INFORMATION

A table showing the total number of shareholders with ordinary shares and the total number of shareholders with pre-emptive shares with voting rights and shareholdings of top ten shareholders.

Unit: Share

Total number of shareholders of ordinary shares at the end of the Reporting Period	480,564
Total number of shareholders of pre-emptive shares with voting rights resumed at the end of the Reporting Period (if any)	0

Particulars of shareholding of top ten shareholders

Name of shareholder	Nature of the shareholder	Number of share	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 <i>(Note 1)</i>	State-owned legal entity	11,623,119,890	46.96	0	None	0
HKSCC Nominees Limited <i>(Note 2)</i>	Other	4,010,061,922	16.20	0	None	0
Hong Kong Securities Clearing Company Limited <i>(Note 3)</i>	Other	651,731,175	2.63	0	None	0
China Securities Finance Corporation Limited	State-owned legal entity	619,264,325	2.50	0	None	0
China Reform Holdings Corporation Ltd.	State-owned legal entity	387,050,131	1.56	0	None	0
Central Huijin Asset Management Ltd.	State-owned legal entity	230,435,700	0.93	0	None	0
China Orient Asset Management Co., Ltd.	State-owned legal entity	152,917,522	0.62	0	None	0
China Great Wall Asset Management Co., Ltd.	State-owned legal entity	141,262,835	0.57	0	None	0
Boshi Fund – Agricultural Bank of China – Boshi China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0

Name of shareholder	Nature of the shareholder	Number of share	Shareholding percentage (%)	Number of shares with selling restrictions	Status of pledged/ labeled/frozen shares	
					Status of shares	Number of shares
Yifangda Fund – Agricultural Bank of China – Yifangda China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Dacheng Fund – Agricultural Bank of China – Dacheng China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Jiashi Fund – Agricultural Bank of China – Jiashi China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Guangfa Fund – Agricultural Bank of China – Guangfa China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Central European Fund – Agricultural Bank of China – Central European China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Huaxia Fund – Agricultural Bank of China – Huaxia China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Yinhua Fund – Agricultural Bank of China – Yinhua China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0
Southern Fund – Agricultural Bank of China – Southern China Securities Financial Asset Management Plan	Other	131,135,600	0.53	0	None	0

Particulars of shareholding of the top ten shareholders without selling restrictions

Unit: Share

Name of shareholder	Number of tradable shares held without selling restrictions	Type and quantity of share	
		Type of shares	Quantity
China Railway Engineering Group Company Limited (Note 1)	11,458,725,890	RMB-dominated ordinary shares	11,458,725,890
China Railway Engineering Group Company Limited (Note 1)	164,394,000	Overseas listed foreign shares	164,394,000
HKSCC Nominees Limited (Note 2)	4,010,061,922	Overseas listed foreign shares	4,010,061,922
Hong Kong Securities Clearing Company Limited (Note 3)	651,731,175	RMB-dominated ordinary shares	651,731,175
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
Central Huijin Asset Management Ltd.	230,435,700	RMB-dominated ordinary shares	230,435,700
China Orient Asset Management Co., Ltd.	152,917,522	RMB-dominated ordinary shares	152,917,522
China Great Wall Asset Management Co., Ltd.	141,262,835	RMB-dominated ordinary shares	141,262,835
Boshi Fund – Agricultural Bank of China – Boshi China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Yifangda Fund – Agricultural Bank of China – Yifangda China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Dacheng Fund – Agricultural Bank of China – Dacheng China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Jiashi Fund – Agricultural Bank of China – Jiashi China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Guangfa Fund – Agricultural Bank of China – Guangfa China Securities Financial Asset Management Plan	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 share	
		Type of shares	Quantity
Central European Fund – Agricultural Bank of China – Central European China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Huaxia Fund – Agricultural Bank of China – Huaxia China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Yinhua Fund – Agricultural Bank of China – Yinhua China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600
Southern Fund – Agricultural Bank of China – Southern China Securities Financial Asset Management Plan	131,135,600	RMB-dominated ordinary shares	131,135,600

Statement on the related relations and acting-in-concert relationships among the shareholders above

China Railway Engineering Group Company Limited, the largest shareholder of the Company, does not have connected relations or have acting-in-concert relationships with the above other shareholders. The Company is not aware of any related relationships or acting-in-concert relationships among the other 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)

N/A

Notes:

- China Railway Engineering Group Company Limited held 11,623,119,890 shares of the Company, including 11,458,725,890 A shares and 164,394,000 H shares.*
- 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.*
- A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of its various clients.*
- The numbers shown in the table are based on the register of member of the Company as at 31 March 2023.*

4. OTHER MAJOR INFORMATION

4.1 Macro-economic Situation of the Industry

In the first quarter of this year, in the face of a severe and complicated international environment and arduous and heavy domestic reform, development and stability tasks, all regions and departments earnestly implemented the decisions and arrangements of the CPC Central Committee and the State Council, adhered to making economic stability a top priority and pursuing progress while ensuring stability, implemented the new development concepts in a complete, accurate and comprehensive manner, accelerated the establishment of a new development pattern, and strived to promote high-quality development. The demand for production has risen steadily, and employment and prices have remained stable on the whole, and household income has continued to increase, and market expectations have improved significantly and the economy is off to a good start. However, we must also note that the international environment remains complex and volatile, and the constraints of inadequate domestic demand are obvious, and the foundation for economic recovery is not yet solid.

From the perspective of the industry, as an important support for expanding domestic demand, boosting confidence and increasing momentum, the infrastructure construction will continue to play a role in lifting economic growth, and the market size of such traditional industries as railway, highway, urban rail transit, housing construction and municipalities will remain at a high level, and the investment in such emerging markets as water conservancy and hydropower, clean energy, port waterways, airports, water and environmental protection and rural infrastructure will continue to grow. According to the data published by the National Bureau of Statistics, in the first quarter of 2023, China's GDP was RMB28,499.7 billion, representing an increase of 4.5% over the same period of last year at constant prices; the growth rate was 2.2% higher than that in the fourth quarter of last year. China's fixed asset investment (excluding rural households) was RMB10,728.2 billion, representing an increase of 5.1% over the same period of last year, which was on a par with that of last year. From the perspective of the sector, the investment in infrastructure grew by 8.8%, among which, investment in the water conservancy management grew by 10.3%, investment in public facilities management grew by 7.7%, investment in road transport grew by 8.5%, and investment in railway transport grew by 17.6%; investment in property development dropped by 5.8%. Nationwide, the floor space of commercial housing sold was 299.46 million square meters, decreasing 1.8%; the sales amount of commercial housing totaled RMB3,054.5 billion, increasing 4.1%.

4.2 Overall Operation of the Company

4.2.1 Value of New Contracts

Value of New Contracts

Unit: '00,000,000 Currency: RMB

Business segments		First	First	Increase/
		quarter of	quarter of	decrease over
		2023	2022	same period
				of last year
Design and consulting services		77.4	119.2	-35.1%
Engineering construction		5,060.3	4,153.1	21.8%
Equipment manufacturing		162.1	149.2	8.6%
Property development		170.5	71.7	137.8%
Asset operation		402.9	697.9	-42.3%
Resource utilization		65.6	59.5	10.3%
Financial and merchandise trading		172.2	132.8	29.7%
Emerging businesses (Note)		562.8	674.0	-16.5%
Total		6,673.8	6,057.4	10.2%
Including	Domestic	6,273.6	5,661.6	10.8%
	Offshore	400.2	395.8	1.1%

Note: Emerging businesses include water conservancy and hydropower, clean energy, ecological and environmental protection, urban operations, airport and port waterways and other new infrastructure businesses.

In the first quarter of 2023, the Company achieved RMB667.38 billion in newly signed contracts, increasing 10.2% year-on-year. In terms of geographical distribution, the value of new contracts signed for domestic business was RMB627.36 billion, increasing 10.8% year-on-year, and the value of new contracts signed for offshore business was RMB40.02 billion, increasing 1.1% year-on-year. In terms of business segments, the value of new contracts signed for the design and consulting services was RMB7.74 billion, decreasing 35.1% year-on-year; the value of new contracts signed for the engineering construction business was RMB506.03 billion, increasing 21.8% year-on-year; the value of new contracts signed for the equipment manufacturing business was RMB16.21 billion, increasing 8.6% year-on-year; the value of new contracts signed for the property development was RMB17.05 billion, increasing 137.8% year-on-year; the value of new contracts signed for the asset operation business was RMB40.29 billion, decreasing 42.3% year-on-year; the value of new contracts signed for the resource utilization business was RMB6.56 billion, increasing 10.3% year-on-year; the value of new contracts signed for financial and merchandise trading was RMB17.22 billion, increasing 29.7% year-on-year; the value of new contracts signed for the emerging businesses was RMB56.28 billion, decreasing 16.5% year-on-year.

4.2.2 Value of Contract Backlog

As at the end of March, the Company's contract backlog amounted to RMB5,324.90 billion, representing an increase of 8.0% as compared with that as at the end of last year; among which RMB4,796.04 billion was from infrastructure construction segment, which represents an increase of 7.9% as compared with that as at the end of last year; RMB56.32 billion was from the design and consulting business segment, which represents an increase of 5.5% as compared with that as at the end of last year; RMB142.72 billion was from the equipment manufacturing business segment, which represents an increase of 9.3% as compared with that as at the end of last year.

4.2.3 Operation Performance

In the first quarter of 2023, the Company achieved a total operating revenue of RMB272.625 billion, representing a year-on-year increase of 2.07%; the Company's overall gross profit margin was 9.08%, representing a year-on-year decrease of 0.12 percentage point. Details are as follows:

Unit: 100 million Currency: RMB

Business segments	Total operating revenue	Year-on-year increase or decrease	Gross profit margin (%)	Year-on-year increase or decrease
Infrastructure construction	2,347.33	1.67%	7.63	Decrease of 0.18 percentage point
Design and consulting	47.24	-2.95%	22.93	Decrease of 2.29 percentage points
Equipment manufacturing	72.65	12.53%	21.03	Increase of 2.11 percentage points
Property development	78.78	-11.07%	18.00	Increase of 0.85 percentage point
Other business	180.24	12.33%	15.58	Decrease of 0.39 percentage point
Total	<u>2,726.25</u>	<u>2.07%</u>	<u>9.08</u>	<u>Decrease of 0.12 percentage point</u>

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 FIRST 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 first quarterly report of 2023 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

28 April 2023

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 TYPE OF AUDIT OPINION

Not applicable

II FINANCIAL STATEMENTS

Consolidated Balance Sheet

31 March 2023

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	31 March 2023	31 December 2022
Current assets:		
Cash and cash equivalents	195,855,280	238,584,104
Trading financial assets	10,720,718	10,176,825
Derivative financial assets	144,081	135,428
Bills receivables	2,961,499	2,331,332
Accounts receivables	148,202,753	122,237,789
Accounts receivables financing	933,851	765,606
Advances to suppliers	49,165,382	48,327,413
Other receivables	38,831,151	35,022,533
Among which: Interests receivables	1,524,774	1,365,424
Dividends receivables	146,217	64,753
Inventories	225,003,967	207,871,018
Contract assets	176,691,991	169,734,586
Non-current assets due within one year	13,322,396	11,721,287
Other current assets	55,484,055	51,657,922
Total current assets	917,317,124	898,565,843

Consolidated Balance Sheet (Continued)

Item	31 March 2023	31 December 2022
Non-current assets:		
Debt investments	18,291,562	19,138,756
Long-term receivables	19,565,270	20,155,977
Long-term equity investments	112,393,870	109,881,210
Investments in other equity instruments	15,742,841	14,945,314
Other non-current financial assets	15,163,245	13,543,136
Investment properties	15,439,600	15,223,976
Fixed assets	66,989,954	66,805,629
Construction in progress	52,111,185	50,705,206
Right-of-use assets	1,732,706	1,754,228
Intangible assets	176,097,603	170,075,123
Development expenditures	253,491	232,232
Goodwill	1,789,189	1,771,244
Long-term deferred expenses	1,213,591	1,157,388
Deferred income tax assets	12,111,641	12,109,063
Other non-current assets	229,849,731	217,101,518
Total non-current assets	738,745,479	714,600,000
Total assets	1,656,062,603	1,613,165,843
Current liabilities:		
Short-term borrowings	81,260,222	71,210,450
Deposits received	3,267,183	6,003,447
Trading financial liabilities	52,976	27,691
Derivative financial liabilities	68,102	68,102
Bills payables	90,309,173	94,398,475
Accounts payables	391,340,694	386,031,478
Advances from customers	1,042,239	1,030,532
Contract liabilities	150,103,557	136,937,120
Accrued payrolls	3,765,742	4,536,976
Taxes payables	13,414,758	14,746,454
Other payables	82,234,129	89,062,814
Among which: Interests payables	511,488	435,587
Dividends payables	203,057	262,685
Non-current liabilities due within one year	35,633,900	38,261,770
Other current liabilities	33,562,251	31,057,479
Total current liabilities	886,054,926	873,372,788

Consolidated Balance Sheet (Continued)

Item	31 March 2023	31 December 2022
Non-current liabilities:		
Long-term borrowings	260,083,363	240,377,887
Bonds payables	38,271,629	39,372,742
Lease liabilities	1,119,874	1,139,400
Long-term payables	28,490,056	29,072,285
Long-term accrued payrolls	2,001,703	2,049,700
Accrued liabilities	604,372	578,077
Deferred income	1,152,134	1,065,660
Deferred income tax liabilities	2,898,779	3,019,002
Other non-current liabilities	33,446	59,400
Total non-current liabilities	334,655,356	316,734,153
Total liabilities	1,220,710,282	1,190,106,941
Owners' Equity (or Shareholders' Equity):		
Paid-up capital (or Share capital)	24,752,196	24,752,196
Other equity instruments	45,941,880	45,621,026
Including: Preference shares	0	0
Perpetual notes	45,941,880	45,621,026
Capital reserve	56,479,602	56,479,602
Less: Treasury stock	611,855	611,855
Other comprehensive income	-760,834	-390,911
Specific reserve	0	0
Surplus reserve	15,862,377	15,862,377
General risk reserve	3,989,036	3,965,051
Accumulated profits	163,086,680	155,552,983
Owners' equity (or Shareholders' equity)		
attributable to the parent company	308,739,082	301,230,469
Minority interests	126,613,240	121,828,433
Total owners' equity (or shareholders' equity)	435,352,321	423,058,902
Total liabilities and owners' equity (or shareholders' equity)	1,656,062,603	1,613,165,843

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Consolidated Income Statement

January – March 2023

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	First Quarter of 2023	First Quarter of 2022
1. Total operating revenue	272,624,669	267,097,479
Including: Revenue	271,973,839	266,537,038
Interest income	225,239	86,362
Handling fees and commission revenue	425,591	474,079
2. Total operating costs	262,106,822	256,869,083
Including: Cost of sales	247,740,707	242,516,239
Interest expenses	139,574	15,952
Tax and surcharges	1,308,648	1,378,549
Selling expenses	1,510,292	1,338,514
Administrative expenses	6,441,532	6,171,021
Research and development expenses	3,837,932	4,476,582
Finance expenses	1,128,137	972,226
Among which: Interest expenses	2,590,551	1,969,902
Interest income	1,939,707	1,399,085
Add: Other gains	257,631	179,372
Investment gains (loss is marked with “-”)	878,723	733,632
Among which: Investment gains from		
associates and joint ventures	834,877	803,301
Gain on derecognition of		
financial assets carried		
at amortised cost	-394,917	-494,850
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 “-”)	-46,175	-116,278
Impairment on credit losses		
(loss is marked with “-”)	-796,104	-504,302
Impairment losses on assets		
(loss is marked with “-”)	-310,050	-343,317
Gain on disposal of assets		
(loss is marked with “-”)	249,079	25,333
3. Profit from operation (loss is marked with “-”)	10,750,951	10,202,836
Add: Non-operating income	160,023	296,282
Less: Non-operating expenses	137,646	137,144
4. Profit before tax (loss is marked with “-”)	10,773,328	10,361,974
Less: Income tax expense	1,906,864	2,055,392

Consolidated Income Statement (Continued)

Item	First Quarter of 2023	First Quarter of 2022
5. Net profit (net loss is marked with “-”)	8,866,464	8,306,582
(1) By operation continuity		
1. Net profit from continuing operation (net loss is marked with “-”)	8,866,464	8,306,582
2. Net profit from discontinued operation (net loss is marked with “-”)	0	0
(2) By ownership		
1. Net profit attributable to shareholders of the Company (net loss is marked with “-”)	7,878,535	7,587,168
2. Minority interests (net loss is marked with “-”)	987,927	719,414
6. Other comprehensive income, net of tax	-334,713	-34,670
(1) Other comprehensive income attributable to owners of the Company, net of tax	-342,407	-225,689
1. Other comprehensive income which will not be reclassified to profit or loss	43,273	-38,676
(i) Changes in remeasurement of defined benefit obligations	-	-17
(ii) Other comprehensive income which will not be reclassified to profit or loss under the equity method	0	0
(iii) Changes in fair value of investments in other equity instruments	47,224	-46,573
(iv) Changes in fair value of enterprise credit risk	-3,951	7,914
2. Other comprehensive income which will be reclassified to profit or loss	-385,680	-187,013
(i) Other comprehensive income which will be reclassified to profit or loss under the equity method	-419	-90
(ii) Changes in fair value of other debt investments	0	0
(iii) Reclassification of financial assets recognized in other comprehensive income	0	0
(iv) Impairment on credit losses of other debt investments	0	0
(v) Cash flow hedge reserve	0	0
(vi) Differences on translation of financial statements prepared in foreign currencies	-385,264	-186,968
(vii) Others	3	45
(2) Other comprehensive income attributable to minority interests, net of tax	7,694	191,019

Consolidated Income Statement (Continued)

Item	First Quarter of 2023	First Quarter of 2022
7. Total comprehensive income	8,531,751	8,271,912
(1) Total comprehensive income attributable to owners of the Company	7,536,128	7,361,479
(2) Total comprehensive income attributable to minority interests	995,621	910,433
8. Earnings per share:		
(1) Basic earnings per share (<i>RMB/share</i>)	0.305	0.294
(2) Diluted earnings per share (<i>RMB/share</i>)	0.305	0.294

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 period was RMB Nil.

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Consolidated Cash Flow Statement

January – March 2023

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	First Quarter of 2023	First Quarter of 2022
1. Cash flow from operating activities:		
Cash received from sales of goods or services rendered	283,022,791	267,552,032
Cash received from interests, handling fees and commission	650,830	560,441
Receipt of tax refund	978,834	524,346
Cash received relating to other operating activities	3,253,068	4,147,321
Sub-total of cash inflows from operating activities	287,905,523	272,784,140
Cash paid for goods and services received	286,718,994	283,357,893
Decrease in deposits received	2,736,264	1,312,119
Cash paid for interests, handling fees and commission	139,574	15,952
Cash paid to and on behalf of employees	23,381,405	22,171,966
Tax payments	9,040,888	8,222,232
Cash paid relating to other operating activities	3,912,648	7,103,064
Sub-total of cash outflows from operating activities	325,929,774	322,183,226
Net cash flow from operating activities	-38,024,251	-49,399,086
2. Cash flow from investing activities:		
Cash received from disposal of investments	294,648	3,521,513
Cash received from return on investments	637,909	786,397
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	249,079	25,333
Cash received from disposal of subsidiaries and other business units	0	0
Cash received relating to other investing activities	313,717	146,512
Sub-total of cash inflows from investing activities	1,495,353	4,479,755
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	7,828,408	7,822,663
Cash paid for acquisitions of investments	9,930,296	15,190,136
Net increase in secured loans	0	0
Net cash payments for acquisition of subsidiaries or other business units	1,255,195	516,521
Cash paid relating to other investing activities	585,632	437,710
Sub-total of cash outflows from investing activities	19,599,531	23,967,030
Net cash flow from investing activities	-18,104,178	-19,487,275

Consolidated Cash Flow Statement (Continued)

Item	First Quarter of 2023	First Quarter of 2022
3. Cash flow from financing activities:		
Cash received from investors	3,796,878	5,903,751
Including: Cash received by subsidiaries for investment by minority shareholders	3,796,878	5,903,751
Cash received from borrowings	32,274,296	47,034,858
Cash received relating to other financing activities	0	0
Sub-total of cash inflows from financing activities	36,071,174	52,938,609
Cash paid for repayment of borrowings	3,728,983	11,387,249
Cash paid for dividends, profit distribution or interest payment	3,564,057	1,821,564
Including: Dividends and profits paid to minority shareholders by subsidiaries	32,265	53,466
Cash paid relating to other financing activities	0	0
Sub-total of cash outflows from financing activities	7,293,040	13,208,813
Net cash flow from financing activities	28,778,134	39,729,796
4. Effect of foreign exchange rate changes on cash and cash equivalents	47,255	353,590
5. Net increase in cash and cash equivalents	-27,303,040	-28,802,975
Add: Balances of cash and cash equivalents at the beginning of the period	204,987,258	148,115,618
6. Balances of cash and cash equivalents at the end of the period	177,684,218	119,312,643

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Company Balance Sheet
31 March 2023

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	31 March 2023	31 December 2022
Current assets:		
Cash and cash equivalents	17,838,981	28,156,784
Trading financial assets	48,433	48,433
Bills receivables	128,131	56,071
Accounts receivables	12,169,443	11,172,860
Advances to suppliers	3,412,873	3,222,556
Other receivables	43,547,181	40,543,700
Among which: Interests receivables	0	0
Dividends receivables	23,795	23,795
Inventories	6,634	3,912
Contract assets	5,021,259	4,909,596
Non-current assets due within one year	18,802,480	17,405,453
Other current assets	1,757,310	2,167,223
Total current assets	102,732,724	107,686,588
Non-current assets:		
Debt investments	1,771,795	1,771,795
Long-term receivables	1,399,314	1,196,439
Long-term equity investments	352,652,011	351,353,860
Investments in other equity instruments	2,439,271	2,439,271
Other non-current financial assets	302,037	302,037
Investment properties	113,091	114,006
Fixed assets	268,233	275,906
Construction in progress	219,200	219,200
Right-of-use assets	28,590	29,874
Intangible assets	606,041	620,394
Long-term deferred expenses	45,404	45,081
Deferred income tax assets	532,529	531,518
Other non-current assets	19,231,064	20,608,803
Total non-current assets	379,608,580	379,508,184
Total assets	482,341,303	487,194,772

Company Balance Sheet (Continued)

Item	31 March 2023	31 December 2022
Current liabilities:		
Short-term borrowings	16,726,434	17,128,292
Accounts payables	32,248,475	35,560,786
Contract liabilities	9,440,266	8,266,301
Accrued payrolls	12,806	15,658
Taxes payables	153,516	197,765
Other payables	102,566,002	107,425,249
Among which: Interests payables	0	0
Dividends payables	435,590	435,590
Non-current liabilities due within one year	18,785,766	17,859,270
Other current liabilities	2,210,706	2,068,892
Total current liabilities	182,143,969	188,522,213
Non-current liabilities:		
Long-term borrowings	15,916,000	13,916,000
Bonds payables	29,407,853	30,406,635
Lease liabilities	26,807	26,172
Long-term payables	14,303,893	14,294,597
Long-term accrued payrolls	7,479	9,010
Deferred income	3,430	4,830
Total non-current liabilities	59,665,463	58,657,244
Total liabilities	241,809,432	247,179,457
Owners' Equity (or Shareholders' Equity):		
Paid-up capital (or Share capital)	24,752,196	24,752,196
Other equity instruments	45,941,880	45,621,026
Including: Preference shares	0	0
Perpetual notes	45,941,880	45,621,026
Capital reserve	61,419,713	61,419,713
Less: Treasury stock	611,855	611,855
Other comprehensive income	-88,176	-70,631
Specific reserve	0	0
Surplus reserve	15,190,997	15,190,996
Accumulated profits	93,927,117	93,713,870
Total owners' equity (or shareholders' equity)	240,531,871	240,015,315
Total liabilities and owners' equity (or shareholders' equity)	482,341,303	487,194,772

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Company Income Statement

January – March 2023

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	First Quarter of 2023	First Quarter of 2022
1. Revenue	10,912,766	10,209,932
Less: Cost of sales	9,585,950	9,439,311
Tax and surcharges	25,331	10,606
Administrative expenses	198,783	143,507
Research and development expenses	1,037	9,637
Finance expenses	848,115	765,681
Among which: Interest expenses	993,828	896,955
Interest income	48,370	69,817
Add: Other gains	1,551	2,343
Investment gains (loss is marked with “-”)	449,676	682,590
Among which: Investment gains from associates and joint ventures	0	0
Gain on derecognition of financial assets carried at amortised cost	47	0
Hedging income on net exposure (loss is marked with “-”)	0	0
Gain on changes in fair value (loss is marked with “-”)	0	-6,131
Impairment on credit losses (loss is marked with “-”)	27	365,264
Impairment losses on assets (loss is marked with “-”)	366	4,168
Gain on disposal of assets (loss is marked with “-”)	0	0
2. Profit from operation (loss is marked with “-”)	705,170	889,424
Add: Non-operating income	1,368	65
Less: Non-operating expenses	30	387
3. Profit before tax (loss is marked with “-”)	706,508	889,102
Less: Income tax expense	172,406	222,309

Company Income Statement (Continued)

Item	First Quarter of 2023	First Quarter of 2022
4. Net profit (net loss is marked with “-”)	534,101	666,793
(1) Net profit from continuing operation (net loss is marked with “-”)	534,101	666,793
(2) Net profit from discontinued operation (net loss is marked with “-”)	0	0
5. Other comprehensive income, net of tax	-17,544	29,848
(1) Other comprehensive income which will not be reclassified to profit or loss	0	0
(i) Changes in remeasurement of defined benefit obligations	0	0
(ii) Other comprehensive income which will not be reclassified to profit or loss under the equity method	0	0
(iii) Changes in fair value of investments in other equity instruments	0	0
(iv) Changes in fair value of enterprise credit risk	0	0
(2) Other comprehensive income which will be reclassified to profit or loss	-17,544	29,848
(i) Other comprehensive income which will be reclassified to profit or loss under the equity method	0	0
(ii) Changes in fair value of other debt investments	0	0
(iii) Reclassification of financial assets recognized in other comprehensive income	0	0
(iv) Impairment on credit losses of other debt investments	0	0
(v) Cash flow hedge reserve	0	0
(vi) Differences on translation of financial statements prepared in foreign currencies	-17,544	29,848
(vii) Others	0	0
6. Total comprehensive income	516,557	696,641
7. Earnings per share:		
(1) Basic earnings per share (<i>RMB/share</i>)	N/A	N/A
(2) Diluted earnings per share (<i>RMB/share</i>)	N/A	N/A

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

Company Cash Flow Statement

January – March 2023

Prepared by China Railway Group Limited

(All amounts expressed in RMB thousand, unaudited)

Item	First Quarter of 2023	First Quarter of 2022
1. Cash flow from operating activities:		
Cash received from sales of goods or services rendered	12,000,236	11,508,115
Cash received from tax refund	0	0
Cash received relating to other operating activities	102,141	120,413
Sub-total of cash inflows from operating activities	12,102,377	11,628,528
Cash paid for goods and services received	13,087,663	12,777,213
Cash paid to and on behalf of employees	238,375	218,882
Tax payments	322,590	158,137
Cash paid relating to other operating activities	2,385,505	4,120,419
Sub-total of cash outflows from operating activities	16,034,133	17,274,651
Net cash flow from operating activities	-3,931,756	-5,646,123
2. Cash flow from investing activities:		
Cash received from disposal of investments	66,576	8,871,242
Cash received from return on investments	0	654,021
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	0	0
Cash received from disposal of subsidiaries and other business units	0	0
Cash received relating to other investing activities	2,718,887	0
Sub-total of cash inflows from investing activities	2,785,463	9,525,264
Cash paid for acquisitions of fixed assets, intangible assets and other long-term assets	108	107
Cash paid for acquisitions of investments	1,202,279	7,960,560
Net cash payments for acquisition of subsidiaries or other business units	0	0
Cash paid relating to other investing activities	0	0
Sub-total of cash outflows from investing activities	1,202,387	7,960,667
Net cash flow from investing activities	1,583,076	1,564,597

Company Cash Flow Statement (Continued)

Item	First Quarter of 2023	First Quarter of 2022
3. Cash flow from financing activities:		
Cash received from investors	0	606,072
Cash received from borrowings	6,989,000	16,489,000
Cash received relating to other financing activities	0	0
Sub-total of cash inflows from financing activities	6,989,000	17,095,072
Cash paid for repayment of borrowings	5,521,624	9,736,060
Cash paid for dividends, profit distribution or interest payment	645,622	562,770
Cash paid relating to other financing activities	8,891,512	0
Sub-total of cash outflows from financing activities	15,058,758	10,298,830
Net cash flow from financing activities	-8,069,758	6,796,242
4. Effect of foreign exchange rate changes on cash and cash equivalents	79,177	109,033
5. Net increase in cash and cash equivalents	-10,339,261	2,823,749
Add: Balances of cash and cash equivalents at the beginning of the period	27,980,295	12,779,275
6. Balance of cash and cash equivalents at the end of the period	17,641,034	15,603,024

Person in charge of the Company: CHEN Yun

Person in charge of the accounting affairs: SUN Cui

Person in charge of the accounting department: MA Yonghong

III SITUATION RELATING TO FIRST ADOPTION OF NEW ACCOUNTING STANDARDS ON THE OPENING BALANCE OF FINANCIAL STATEMENTS IN THE YEAR OF FIRST ADOPTION SINCE 2023

Not applicable