



**CHANGCHAI COMPANY, LIMITED**  
**THIRD QUARTERLY REPORT 2020**

**October 2020**

## Part I Important Notes

**The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Changchai Company, Limited (together with its consolidated subsidiaries, the “Company”, except where the context otherwise requires) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.**

**All the Company’s directors have attended the Board meeting for the review of this Report and its summary.**

**Shi Xinkun, the Company’s legal representative, Zhang Xin, the Company’s General Manager, and Jiang He, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.**

**This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.**

## Part II Key Corporate Information

### I Key Consolidated Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

√ Yes □ No

Reason for retrospective restatement:

Correction of accounting error

	30 September 2020	31 December 2019		Change (%)				
		Before	After	After				
Total assets (RMB)	3,764,223,265.12	3,484,975,990.48	3,488,820,324.60	7.89%				
Equity attributable to the listed company's shareholders (RMB)	2,173,457,688.37	2,109,239,597.94	2,110,892,767.58	2.96%				
	Q3 2020	Q3 2019		YoY change (%)	Q1-Q3 2020	Q1-Q3 2019		YoY change (%)
		Before	After	After		Before	After	After
Operating revenue (RMB)	584,404,482.93	460,579,449.28	462,134,190.47	26.46%	1,751,860,265.23	1,576,409,294.87	1,581,005,315.47	10.81%
Net profit attributable to the listed company's shareholders (RMB)	11,263,467.62	950,668.62	944,815.43	1092.13%	38,953,778.68	20,008,693.69	20,062,451.12	94.16%
Net profit attributable to the listed company's shareholders before exceptional items (RMB)	8,151,814.68	197,704.53	159,010.84	5026.58%	28,823,954.64	14,424,860.12	14,419,757.46	99.89%
Net cash generated from/used in operating activities (RMB)	38,040,529.46	-23,645,425.75	-23,579,838.08	--	17,685,800.21	-177,873,130.52	-176,901,330.95	--
Basic earnings per share (RMB/share)	0.0201	0.0017	0.0017	1082.35%	0.0694	0.0356	0.0357	94.40%
Diluted earnings per share (RMB/share)	0.0201	0.0017	0.0017	1082.35%	0.0694	0.0356	0.0357	94.40%
Weighted average return on equity (%)	0.54%	0.05%	0.05%	0.49%	1.86%	1.02%	1.02%	0.84%

Reason for change in accounting policy and particulars about correction of accounting error:

The Proposal on Correction of Previous Accounting Error was reviewed and approved on the 4<sup>th</sup> Meeting of the 9<sup>th</sup> Board of Directors held on 29 July 2020, and Changzhou Xingsheng Property Management Co., Ltd. which was not included in the scope of consolidated balance sheet before has been carried out accounting treatment in accordance to the stipulations of accounting standards. For details, see the Announcement on the Resolutions of the 4<sup>th</sup> Meeting of the 9<sup>th</sup> Board of Directors (Announcement No.:2020-043), the Announcement on Correction of Previous Accounting Error (Announcement No.:2020-045), and the Authentication Report of Special Instruction regarding Correction of Accounting Error from 2017 to 2019 disclosed on Securities Times, Ta Kung Pao and <http://www.cninfo.com.cn>.

1. Effects to the consolidated balance sheet of the same period in 2019

Effectuated items	1 January - 30 September 2019	
	Before	After
Income statement:		
1. Revenues	1,576,409,294.87	1,581,005,315.47
Operating revenue	1,576,409,294.87	1,581,005,315.47
2. Costs and expenses	1,561,504,072.64	1,566,116,694.04
Cost of sales	1,359,819,510.40	1,363,790,338.62
Taxes and levies	5,752,156.03	5,768,967.47
Administrative expense	56,227,095.34	56,859,918.77
Finance costs	-5,341,321.85	-5,349,163.54
Interest expense	3,845,353.84	3,864,569.25
Interest income	3,262,988.18	3,264,215.89
Other income	326,259.20	338,322.49
Investment income	6,454,405.76	6,512,955.00
Credit impairment loss	-5,586,101.21	-5,581,969.86
3. Operating profit	17,097,695.63	17,155,838.71
Non-operating income	961,235.14	977,241.24
Non-operating expense	233,654.06	246,251.41
4. Gross profit	17,825,276.71	17,886,828.54
Income tax expense	-2,232,431.33	-2,224,636.93
5. Net profit	20,057,708.04	20,111,465.47
By operating continuity	20,057,708.04	20,111,465.47
Net profit attributable to owners of the Company as the parent	20,008,693.69	20,062,451.12
6. Total comprehensive income	51,056,783.04	51,110,540.47
Attributable to owners of the Company as the parent	51,007,768.69	51,061,526.12
7. Earnings per share		

7.1 Basic earnings per share	0.0356	0.0357
7.2 Diluted earnings per share	0.0356	0.0357
Cash Flow Statement:		
1. Cash flows from operating activities		
Proceeds from sale of commodities and rendering of services	1,359,318,699.75	1,364,093,458.22
Cash generated from other operating activities	11,459,085.79	12,148,649.31
Subtotal of cash generated from operating activities	1,394,569,539.45	1,400,033,861.44
Payments for commodities and services	1,266,094,750.13	1,269,133,440.46
Cash paid to and for employees	219,511,319.88	220,572,688.59
Taxes and levies paid	20,471,465.12	20,667,117.44
Cash used in other operating activities	66,365,134.84	66,561,945.90
Subtotal of cash used in operating activities	1,572,442,669.97	1,576,935,192.39
Net cash generated from/used in operating activities	-177,873,130.52	-176,901,330.95
2. Cash flows from investing activities:		
Proceeds from disinvestment	14,000,000.00	17,900,000.00
Return on investment	6,454,405.76	6,480,702.52
Subtotal of cash generated from investing activities	21,494,911.84	25,421,208.60
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	16,257,775.02	16,317,913.12
Payments for investments	70,138,441.76	77,088,441.76
Subtotal of cash used in investing activities	86,396,216.78	93,406,354.88
Net cash generated from/used in investing activities	-64,901,304.94	-67,985,146.28
5. Net increase in cash and cash equivalents	-287,128,835.58	-289,240,877.35
Cash and cash equivalents, beginning of the period	687,079,639.59	691,266,373.34
6. Cash and cash equivalents, end of the period	399,950,804.01	402,025,495.99

Exceptional gains and losses:

Applicable  Not applicable

Unit: RMB

Item	Q1-Q3 2020	Note
Gain/Loss arising from disposal of non-current assets (inclusive of impairment allowance write-offs)	181,780.55	
Government subsidies recognized in the current period, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the government's unified standards	5,695,097.89	

Capital occupation charges on non-financial enterprises that are recorded into current profit or loss	257,714.14	
Gain/Loss on changes in fair value arising from holding of held-for-trading financial assets and liabilities, derivative financial assets and liabilities and investment income from disposal of held-for-trading financial assets and liabilities, derivative financial assets and liabilities and other debt investments other than effective hedge business related to the Company's normal operating businesses	5,503,903.85	
Other non-operating income and expense other than the above	224,536.62	
Less: Income tax effects	1,486,385.30	
Non-controlling interests effects (after tax)	246,823.71	
Total	10,129,824.04	--

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable  Not applicable

No such cases in the Reporting Period.

## II Total Number of Shareholders and Holdings of Top 10 of Them as at the End of the Reporting Period

### 1. Numbers of Ordinary Shareholders and Preference Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders	46,684	Number of preference shareholders with resumed voting rights (if any)	0			
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge or frozen	
					Status	Shares
Changzhou Investment Group Co., Ltd.	State-owned corporation	30.43%	170,845,236			
China Construction Bank—First State Cinda New Energy Industry Equity Securities Investment Fund	Other	1.70%	9,554,765			

KGI ASIA LIMITED	Foreign corporation	0.57%	3,189,845			
Chen Jian	Domestic individual	0.34%	1,914,000			
China Citic Bank—CCB CSI 500 Index Enhanced Securities Investment Fund	Other	0.29%	1,614,501			
China Construction Bank—First State Cinda Advanced Intelligence Equity Securities Investment Fund	Other	0.28%	1,594,500			
Li Suinan	Domestic individual	0.28%	1,548,100			
Huang Guoliang	Domestic individual	0.27%	1,528,891			
Hu Wenyong	Domestic individual	0.27%	1,500,266			
UBS AG	Foreign corporation	0.25%	1,392,120			

## Top 10 unrestricted shareholders

Name of shareholder	Unrestricted ordinary shares held	Shares by class	
		Class	Shares
Changzhou Investment Group Co., Ltd.	170,845,236	RMB-denominated ordinary share	170,845,236
China Construction Bank—First State Cinda New Energy Industry Equity Securities Investment Fund	9,554,765	RMB-denominated ordinary share	9,554,765
KGI ASIA LIMITED	3,189,845	Domestically listed foreign share	3,189,845
Chen Jian	1,914,000	RMB-denominated ordinary share	1,914,000
China Citic Bank—CCB CSI 500 Index Enhanced Securities Investment Fund	1,614,501	RMB-denominated ordinary share	1,614,501
China Construction Bank—First State Cinda Advanced Intelligence Equity Securities Investment Fund	1,594,500	RMB-denominated ordinary share	1,594,500
Li Suinan	1,548,100	Domestically listed foreign share	1,548,100

Huang Guoliang	1,528,891	Domestically listed foreign share	1,528,891
Hu Wenyong	1,500,266	Domestically listed foreign share	1,500,266
UBS AG	1,392,120	RMB-denominated ordinary share	1,392,120
Related or acting-in-concert parties among the shareholders above		It is unknown whether there is among the top 10 public shareholders and the top 10 unrestricted public shareholders any related parties or acting-in-concert parties as defined in the Administrative Measures for Information Regarding Shareholding Alteration.	
Top 10 shareholders engaged in securities margin trading (if any)		Shareholder Chen Jian held 800,000 shares in the Company through his account of collateral securities for margin trading in Zhongtai Securities Co., Ltd., accounting for 0.14% of shareholding.	

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes  No

No such cases in the Reporting Period.

## 2. Number of Preference Shareholders and Shareholdings of Top 10 of Them

Applicable  Not applicable



## Part III Significant Events

### I Changes in Key Financial Statement Line Items and Explanation of why

√ Applicable □ Not applicable

#### 1. Consolidated Balance Sheet Items as at 30 September 2020

Item	30 September 2020 (RMB)	31 December 2019 (RMB)	Change (%)	Explanation of why
Accounts receivable	798,741,555.78	419,302,056.87	90.49%	The Company properly allowed customers' buying on credit for more markets and multi-cylinder diesel engine customers are mainly supporting companies of main engine, which are usually given longer payment days.
Other receivables	6,375,613.71	9,703,390.94	-34.29%	Recovery of an amount of RMB5 million due to wholly-owned subsidiary Housheng Investment
Construction in progress	136,252,904.99	91,358,156.24	49.14%	Wholly-owned subsidiary Changchai Machinery being under construction
Notes payable	573,397,000.00	403,035,000.00	42.27%	More bank acceptance bills were paid to suppliers as required by them during Q1-Q3 2020
Employee benefits payable	13,343,460.16	44,559,015.79	-70.05%	Salaries and bonuses accrued in the nine months ended 30 September 2019 were paid in the corresponding period of the current year
Taxes and levies payable	12,144,962.87	9,094,382.58	33.54%	Increases in both sales and profit during Q1-Q3 2020

#### 2. Consolidated Income Statement Items for Q1~Q3 2020

Item	Q1~Q3 2020 (RMB)	Q1~Q3 2019 (RMB)	Change (%)	Explanation of why
Finance costs	7,051,835.86	-5,349,163.54		Exchange gains and losses resulted from exchange rate fluctuations and increase in discounting expense
Other income	5,695,097.89	338,322.49	1583.33%	Increase in government grants received by the Company and its subsidiaries during Q1~Q3 2020
Income tax expense	5,108,476.05	-2,224,636.93		Profit increased during Q1~Q3 2020, and the same period of last year saw corporate income tax rebates, with no such tax rebates in the current period.

Net profit attributable to shareholders of the Company as the parent	38,953,778.68	20,062,451.12	94.16%	Increases in both sales revenue and profitability during Q1~Q3 2020
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### 3. Consolidated Cash Flow Statement Items for Q1~Q3 2020

Item	Q1~Q3 2020 (RMB)	Q1~Q3 2019 (RMB)	Change (%)	Explanation of why
Net cash generated from/used in operating activities	17,685,800.21	-176,901,330.95	-	Increase in sales revenue during Q1~Q3 2020
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	114,151,611.40	16,317,913.12	599.55%	Increase in the acquisition of fixed assets, etc. by wholly-owned subsidiary Changchai Machinery, which was being under construction
Payments for investments	25,022,956.16	77,088,441.76	-67.54%	Q1~Q3 2019 saw an investment of RMB50 million by the Company in Housheng New Energy, with no such investment in Q1~Q3 2020
Net cash generated from/used in financing activities	-2,280,722.28	-44,354,400.12	-	Q1~Q3 2019 saw the repayment of some bank loan and the payment of cash dividends, with no such dividend payout in Q1~Q3 2020

## II Progress, Influence and Solutions in respect of Significant Events

√ Applicable □ Not applicable

- On the 9 April 2020, the Company held the 24<sup>th</sup> Meeting of the 8<sup>th</sup> Board of Directors and the 19<sup>th</sup> Meeting of the 8<sup>th</sup> Supervisory Committee, on which the Proposal on the Plan for Private Placement of A-shares in 2020 and related proposals were reviewed and approved and the Company was allowed to privately offer stocks not exceeding 168,412,297 shares (inclusive) to specific investors not exceeding 35 including Changzhou Investment Group Co., Ltd. (hereinafter referred to as "Investment Group") for raising funds not exceeding RMB635 million (inclusive). On 8 May 2020, above issue was reviewed and approved by the 2019 Annual General Meeting of the Company.
- On 7 September 2020, the Company received the Acceptance Form regarding Application for Administrative Permission of China Securities Regulatory Commission from China Securities Regulatory Commission (hereinafter referred to as the "CSRC"), and the CSRC accepted the Company's application for administrative permission for private placement of A-shares.
- On 14 September 2020, the Company received the Notice of First Feedback on Administrative Permission Project of CSRC from the CSRC. The Company carefully checked and implemented the feedback together with related intermediaries, supplemented materials of and answered questions about issues involved as required by the feedback and disclosed the reply on the feedback on 29 September 2020. The Company timely submitted the materials regarding the reply on the feedback to the CSRC as required.
- On 18 September 2020, the Company held the interim meeting of the Board of Directors and the interim meeting of the Supervisory Committee, reviewed and approved the Proposal on Plan (Revised) for Private

Placement of Stocks in 2020 and related proposals which have been reviewed and approved on the 2<sup>nd</sup> Extraordinary General Meeting of 2020 held on 12 October 2020. The information in the plan about the validity of resolutions and authorization by the general meeting to the Board of Directors to handle related issues about this private placement of stocks were adjusted.

Progress of any share repurchase:

Applicable  Not applicable

Progress of any reduction of the repurchased shares through centralized bidding:

Applicable  Not applicable

### III Commitments that the Company's Actual Controller, Shareholders, Related Parties, Acquirers, the Company Itself or Other Relevant Parties, Failed to Fulfill on Time during the Reporting Period

Applicable  Not applicable

Commitment	Commitment maker	Type of commitment	Contents	Date of commitment making	Period of commitment	Fulfillment
Other commitments made to minority shareholders	Changchai Company, Limited	Bonus	Rewards Plan for Shareholders in Next Three Years(2020-2022) Under the premise of positive distributive profit (remaining after-tax profits after making up for the loss and extracting for the common reserves) in this year or half year and abundant money flow and no influence on the following-up going concern after cash bonus, the profits allocated by cash every year shouldn't be lower than 10% of the allocable profits from parent company. Meanwhile, the accumulated allocable profits by cash in the arbitrary continuous three accounting years should not be lower than 30% of the annual average allocable profits in those three years.	8 May 2020	Year 2020-2022	Implement in a normal way
Fulfilled on time			Yes			
When the commitment was not completely fulfilled at maturity, the specific reasons and following work plan shall be given			N/A			

## IV Securities Investments

√ Applicable □ Not applicable

Type of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement method	Opening carrying amount	Gain/loss on fair-value changes in the current period	Cumulative fair-value changes through equity	Purchased in the current period	Sold in the current period	Gain/loss in the current period	Closing carrying amount	Accounting title	Funding source
Domestic/foreign stock	600166	Foton Motor	41,784,000.00	Fair value method	260,100.00	89,590,000.00	261,720,100.00	0.00	0.00	0.00	349,690,000.00	Investment in other equity instruments	Self-funded
Domestic/foreign stock	600919	Bank of Jiangsu	18,000.00	Fair value method	102,060.00	7,380,000.00	77,724,000.00	0.00	0.00	0.00	109,440,000.00	Investment in other equity instruments	Self-funded
Total			59,784,000.00	--	362,160,000.00	96,970,000.00	339,444,100.00	0.00	0.00	0.00	459,130,000.00	--	--

## 2. Investments in Derivative Financial Instruments

□ Applicable √ Not applicable

No such cases in the Reporting Period.

## V Progress of Projects Financed with Raised Funds

Applicable  Not applicable

## VI 2020 Annual Operating Performance Forecast

Warning of a forecast loss on or a forecast significant year-on-year change in the 2020 annual net profit, as well as explanation of why:

Applicable  Not applicable

## VII Significant Contracts Arising from the Company's Ordinary Course of Business

Applicable  Not applicable

## VIII Cash Entrusted for Wealth Management

Applicable  Not applicable

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount
Broker's wealth management product	Self-funded	730.00	1,380.00	0.00
Bank's wealth management product	Self-funded	310.00	0.00	0.00
Total		1,040.00	1,380.00	0.00

High-risk wealth management transactions with a significant single amount, or with low security, low liquidity or no principal protection:

Applicable  Not applicable

Wealth management transactions with possible impairments including an expectedly unrecoverable principal:

Applicable  Not applicable

## IX Irregularities in the Provision of Guarantees

Applicable  Not applicable

No such cases in the Reporting Period.

## X Occupation of the Company's Capital by the Controlling Shareholder or any of Its Related Parties for Non-Operating Purposes

Applicable  Not applicable

No such cases in the Reporting Period.

## XI Communications with the Investment Community such as Researches, Inquiries and Interviews Received during the Reporting Period

√ Applicable □ Not applicable

Date of communication	Place of communication	Way of communication	Type of communication party	Communication party	Main contents communicated and materials provided	index of the basic facts according to the investigation
14 September 2020	Easy IR	Other	Individual	Individual investor	The pricing of the private placement of stocks in 2020 by the Company	Easy IR
18 August 2020	Easy IR	Other	Individual	Individual investor	The ownership structure and products of Housheng New Energy	Easy IR
18 August 2020	Easy IR	Other	Individual	Individual investor	The ownership structure of Housheng New Energy	Easy IR
13 August 2020	Easy IR	Other	Individual	Individual investor	The disposal plan of shares in Futon Motor held by the Company	Easy IR
13 August 2020	Easy IR	Other	Individual	Individual investor	The reason for the increase in sales expense of the Company for the first half the year	Easy IR
13 August 2020	Easy IR	Other	Individual	Individual investor	The progress of the application for the private placement of stocks by the Company	Easy IR
27 July 2020	Easy IR	Other	Individual	Individual investor	The progress of the private placement of stocks by the Company	Easy IR
27 July 2020	Easy IR	Other	Individual	Individual investor	The construction period for the innovation capacity building project of the Company's technical center	Easy IR
24 July 2020	Easy IR	Other	Individual	Individual investor	Suggestions on the quest of the Company for the government	Easy IR
24 July 2020	Easy IR	Other	Individual	Individual investor	The disposal flow of old factories	Easy IR
7 July 2020	Easy IR	Other	Individual	Individual investor	The remuneration appraisal standards for the Company's senior management and plan for the investors meeting	Easy IR
7 July 2020	Easy IR	Other	Individual	Individual investor	Factory inspection for Lithium battery diaphragm project	Easy IR
7 July 2020	Easy IR	Other	Individual	Individual investor	The industrial transformation and upgrading of the Company	Easy IR

7 July 2020	Easy IR	Other	Individual	Individual investor	The industrial transformation and upgrading of the Company	Easy IR
7 July 2020	Easy IR	Other	Individual	Individual investor	Product R&D of the Company	Easy IR
7 July 2020	Easy IR	Other	Individual	Individual investor	Work performance of the Company's Board Secretary	Easy IR
7 July 2020	Easy IR	Other	Individual	Individual investor	The labor contract of the General Manager of Housheng New Energy	Easy IR
6 July 2020	Easy IR	Other	Individual	Individual investor	Land of the Company	Easy IR

## Part IV Financial Statements

### I Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by Changchai Company, Limited

30 September 2020

Unit: RMB

Item	30 September 2020	31 December 2019
Current assets:		
Monetary assets	588,267,039.78	638,589,260.09
Settlement reserve		
Loans to other banks and financial institutions		
Held-for-trading financial assets	13,800,000.00	13,050,000.00
Derivative financial assets		
Notes receivable	473,884,245.66	606,283,023.05
Accounts receivable	798,741,555.78	419,302,056.87
Receivables financing		
Prepayments	12,689,614.06	12,968,746.16
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	6,375,613.71	9,703,390.94
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	481,218,665.32	473,359,168.90
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	6,021,701.45	6,421,275.47
Total current assets	2,380,998,435.76	2,179,676,921.48
Non-current assets:		



Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments		
Investments in other equity instruments	559,130,000.00	532,886,000.00
Other non-current financial assets	78,002,757.25	77,952,101.63
Investment property	46,791,411.23	48,447,666.83
Fixed assets	464,591,862.13	457,722,667.32
Construction in progress	136,252,904.99	91,358,156.24
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	96,267,414.62	99,699,450.26
Development costs		
Goodwill		
Long-term prepaid expense	33,595.50	53,497.80
Deferred income tax assets	1,977,483.64	1,023,863.04
Other non-current assets	177,400.00	
Total non-current assets	1,383,224,829.36	1,309,143,403.12
Total assets	3,764,223,265.12	3,488,820,324.60
Current liabilities:		
Short-term borrowings	22,000,000.00	22,000,000.00
Borrowings from the central bank		
Loans from other banks and financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	573,397,000.00	403,035,000.00
Accounts payable	554,002,319.77	525,625,016.89
Advances from customers		31,789,001.78
Contract liabilities	31,398,892.82	
Financial assets sold under repurchase agreements		
Customer deposits and deposits from other banks and financial institutions		
Payables for acting trading of securities		

Payables for underwriting of securities		
Employee benefits payable	13,343,460.16	44,559,015.79
Taxes and levies payable	12,144,962.87	9,094,382.58
Other payables	244,367,973.24	205,064,145.10
Including: Interest payable		
Dividends payable	3,891,433.83	3,891,433.83
Fees and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities		
Other current liabilities	1,085,248.50	1,177,712.38
Total current liabilities	1,451,739,857.36	1,242,344,274.52
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings		
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	58,331,924.41	58,864,111.22
Deferred income tax liabilities	60,899,865.60	57,082,890.27
Other non-current liabilities		
Total non-current liabilities	119,231,790.01	115,947,001.49
Total liabilities	1,570,971,647.37	1,358,291,276.01
Owners' equity:		
Share capital	561,374,326.00	561,374,326.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	164,328,665.43	164,328,665.43
Less: Treasury stock		

Other comprehensive income	339,444,100.00	317,059,775.00
Specific reserve	18,438,650.51	17,560,202.07
Surplus reserves	322,228,533.72	322,228,533.72
General reserve		
Retained earnings	767,643,412.71	728,341,265.36
Total equity attributable to owners of the Company as the parent	2,173,457,688.37	2,110,892,767.58
Non-controlling interests	19,793,929.38	19,636,281.01
Total owners' equity	2,193,251,617.75	2,130,529,048.59
Total liabilities and owners' equity	3,764,223,265.12	3,488,820,324.60

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

## 2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	30 September 2020	31 December 2019
Current assets:		
Monetary assets	516,026,926.22	584,957,678.96
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	461,625,375.66	576,948,023.05
Accounts receivable	715,329,444.63	337,447,538.04
Receivables financing		
Prepayments	5,196,747.28	6,386,284.14
Other receivables	22,937,844.85	22,741,542.22
Including: Interest receivable		
Dividends receivable		
Inventories	362,725,150.30	368,653,472.39
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets		3,898,333.51
Total current assets	2,083,841,488.94	1,901,032,872.31
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	367,752,730.03	252,752,730.03
Investments in other equity instruments	559,130,000.00	532,886,000.00
Other non-current financial assets	50,000,000.00	50,000,000.00
Investment property	46,791,411.23	48,447,666.83
Fixed assets	378,520,875.17	364,071,199.07
Construction in progress	32,607,864.62	89,330,161.60
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	67,786,482.85	70,169,770.91
Development costs		
Goodwill		
Long-term prepaid expense		
Deferred income tax assets	1,926,498.14	970,026.67

Other non-current assets		
Total non-current assets	1,504,515,862.04	1,408,627,555.11
Total assets	3,588,357,350.98	3,309,660,427.42
Current liabilities:		
Short-term borrowings	5,000,000.00	5,000,000.00
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	560,197,000.00	392,105,000.00
Accounts payable	518,895,469.59	481,854,210.18
Advances from customers		28,673,664.87
Contract liabilities	26,654,168.78	
Employee benefits payable	5,505,295.99	39,125,477.30
Taxes and levies payable	9,128,863.21	5,952,664.10
Other payables	237,250,821.97	192,046,130.29
Including: Interest payable		
Dividends payable	3,243,179.97	3,243,179.97
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities		
Other current liabilities		
Total current liabilities	1,362,631,619.54	1,144,757,146.74
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	58,331,924.41	58,864,111.22
Deferred income tax liabilities	59,901,900.00	55,951,725.00
Other non-current liabilities		
Total non-current liabilities	118,233,824.41	114,815,836.22
Total liabilities	1,480,865,443.95	1,259,572,982.96
Owners' equity:		
Share capital	561,374,326.00	561,374,326.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	183,071,147.70	183,071,147.70

Less: Treasury stock		
Other comprehensive income	339,444,100.00	317,059,775.00
Specific reserve	18,438,650.51	17,560,202.07
Surplus reserves	322,228,533.72	322,228,533.72
Retained earnings	682,935,149.10	648,793,459.97
Total owners' equity	2,107,491,907.03	2,050,087,444.46
Total liabilities and owners' equity	3,588,357,350.98	3,309,660,427.42

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

## 3. Consolidated Income Statement for Q3

Unit: RMB

Item	Q3 2020	Q3 2019
1. Revenues	584,404,482.93	462,134,190.47
Including: Operating revenue	584,404,482.93	462,134,190.47
Interest income		
Insurance premium income		
Fee and commission income		
2. Costs and expenses	571,476,343.30	467,023,908.14
Including: Cost of sales	482,566,998.78	390,805,565.08
Interest expense		
Fee and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	3,122,156.69	759,274.52
Selling expense	38,696,970.53	37,273,069.65
Administrative expense	22,209,789.62	22,299,856.47
R&D expense	17,108,931.84	19,450,880.63
Finance costs	7,771,495.84	-3,564,738.21
Including: Interest expense	2,043,803.77	2,296,943.75
Interest income	1,771,285.50	1,617,009.65
Add: Other income	3,017,133.07	204,284.78
Return on investment (“-” for loss)	119,306.81	6,328,605.37
Including: Share of profit or loss of joint ventures and associates		
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		

Credit impairment loss (“-” for loss)	-1,356,757.76	-329,359.12
Asset impairment loss (“-” for loss)	-1,054,702.67	
Asset disposal income (“-” for loss)	170,802.94	35,470.13
3. Operating profit (“-” for loss)	13,823,922.02	1,349,283.49
Add: Non-operating income	159,777.74	394,303.76
Less: Non-operating expense	28,902.97	28,413.43
4. Gross profit (“-” for loss)	13,954,796.79	1,715,173.82
Less: Income tax expense	2,711,164.47	770,358.39
5. Net profit (“-” for net loss)	11,243,632.32	944,815.43
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	11,243,632.32	944,815.43
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	11,263,467.62	944,815.43
5.2.1 Net profit attributable to non-controlling interests	-19,835.30	0.00
6. Other comprehensive income, net of tax	82,424,500.00	-56,331,625.00
Attributable to owners of the Company as the parent	82,424,500.00	-56,331,625.00
6.1 Items that will not be reclassified to profit or loss	82,424,500.00	-56,331,625.00
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments	82,424,500.00	-56,331,625.00
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss		
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		



6.2.2 Changes in the fair value of other debt investments		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
6.2.7 Other		
Attributable to non-controlling interests		
7. Total comprehensive income	93,668,132.32	-55,386,809.57
Attributable to owners of the Company as the parent	93,687,967.62	-55,386,809.57
Attributable to non-controlling interests	-19,835.30	0.00
8. Earnings per share		
8.1 Basic earnings per share	0.0201	0.0017
8.2 Diluted earnings per share	0.0201	0.0017

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

## 4. Income Statement of the Company as the Parent for Q3

Unit: RMB

Item	Q3 2020	Q3 2019
1. Operating revenue	544,380,376.94	421,276,661.38
Less: Cost of sales	451,581,653.16	359,102,937.24
Taxes and levies	2,294,057.28	284,731.94
Selling expense	34,532,756.23	35,132,740.35
Administrative expense	19,659,221.51	18,782,065.04
R&D expense	16,348,087.88	18,913,412.83
Finance costs	6,341,917.96	-3,838,154.82
Including: Interest expense	2,043,148.48	2,245,294.98
Interest income	1,748,401.59	1,582,099.73
Add: Other income	1,498,700.00	196,959.20
Return on investment (“-” for loss)		6,116,775.16
Including: Share of profit or loss of joint ventures and associates		
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		
Credit impairment loss (“-” for loss)	-1,456,757.76	-200,000.00
Asset impairment loss (“-” for loss)	-1,054,702.67	
Asset disposal income (“-” for loss)	-3,601.94	35,470.13
2. Operating profit (“-” for loss)	12,606,320.55	-951,866.71
Add: Non-operating income	141,340.86	90,530.00
Less: Non-operating expense	1,840.00	1,380.00
3. Gross profit (“-” for loss)	12,745,821.41	-862,716.71
Less: Income tax expense	2,505,420.39	80,572.15
4. Net profit (“-” for net loss)	10,240,401.02	-943,288.86
4.1 Net profit from continuing operations (“-” for net loss)	10,240,401.02	-943,288.86
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	82,424,500.00	-56,331,625.00

5.1 Items that will not be reclassified to profit or loss	82,424,500.00	-56,331,625.00
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments	82,424,500.00	-56,331,625.00
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of other debt investments		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for other debt investments		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	92,664,901.02	-57,274,913.86
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

## 5. Consolidated Income Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Revenues	1,751,860,265.23	1,581,005,315.47
Including: Operating revenue	1,751,860,265.23	1,581,005,315.47
Interest income		
Insurance premium income		
Fee and commission income		
2. Costs and expenses	1,694,490,647.57	1,566,116,694.04
Including: Cost of sales	1,468,409,717.46	1,363,790,338.62
Interest expense		
Fee and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	9,673,762.22	5,768,967.47
Selling expense	102,089,329.05	95,531,468.63
Administrative expense	57,818,820.36	56,859,918.77
R&D expense	49,447,182.62	49,515,164.09
Finance costs	7,051,835.86	-5,349,163.54
Including: Interest expense	5,384,379.68	3,864,569.25
Interest income	4,563,438.25	3,264,215.89
Add: Other income	5,695,097.89	338,322.49
Return on investment (“-” for loss)	5,503,903.85	6,512,955.00
Including: Share of profit or loss of joint ventures and associates		
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		

Credit impairment loss (“-” for loss)	-7,335,779.05	-5,581,969.86
Asset impairment loss (“-” for loss)	-17,398,507.67	-26,096.43
Asset disposal income (“-” for loss)	181,780.55	1,024,006.08
3. Operating profit (“-” for loss)	44,016,113.23	17,155,838.71
Add: Non-operating income	628,068.52	977,241.24
Less: Non-operating expense	424,278.65	246,251.41
4. Gross profit (“-” for loss)	44,219,903.10	17,886,828.54
Less: Income tax expense	5,108,476.05	-2,224,636.93
5. Net profit (“-” for net loss)	39,111,427.05	20,111,465.47
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	39,111,427.05	20,111,465.47
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	38,953,778.68	20,062,451.12
5.2.1 Net profit attributable to non-controlling interests	157,648.37	49,014.35
6. Other comprehensive income, net of tax	22,732,693.67	30,999,075.00
Attributable to owners of the Company as the parent	22,732,693.67	30,999,075.00
6.1 Items that will not be reclassified to profit or loss	22,732,693.67	30,999,075.00
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments	22,732,693.67	30,999,075.00
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss		
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		

6.2.2 Changes in the fair value of other debt investments		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
6.2.7 Other		
Attributable to non-controlling interests		
7. Total comprehensive income	61,844,120.72	51,110,540.47
Attributable to owners of the Company as the parent	61,686,472.35	51,061,526.12
Attributable to non-controlling interests	157,648.37	49,014.35
8. Earnings per share		
8.1 Basic earnings per share	0.0694	0.0357
8.2 Diluted earnings per share	0.0694	0.0357

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

## 6. Income Statement of the Company as the Parent for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Operating revenue	1,625,850,180.06	1,454,605,836.96
Less: Cost of sales	1,375,003,675.93	1,266,389,252.73
Taxes and levies	7,653,755.04	4,248,625.13
Selling expense	91,909,154.03	88,479,571.30
Administrative expense	46,455,658.69	44,258,430.92
R&D expense	47,995,826.24	46,805,098.25
Finance costs	4,951,153.41	-6,848,347.17
Including: Interest expense	4,346,720.00	3,559,655.48
Interest income	4,277,801.43	2,747,522.82
Add: Other income	3,430,304.92	326,259.20
Return on investment (“-” for loss)	4,983,988.73	6,116,775.16
Including: Share of profit or loss of joint ventures and associates		
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		
Credit impairment loss (“-” for loss)	-6,897,540.23	-5,460,420.00
Asset impairment loss (“-” for loss)	-16,871,000.79	-26,096.43
Asset disposal income (“-” for loss)	7,179.81	1,024,006.08
2. Operating profit (“-” for loss)	36,533,889.16	13,253,729.81
Add: Non-operating income	380,289.78	320,883.36
Less: Non-operating expense	5,865.58	168,334.64
3. Gross profit (“-” for loss)	36,908,313.36	13,406,278.53
Less: Income tax expense	3,114,992.90	-4,038,108.25
4. Net profit (“-” for net loss)	33,793,320.46	17,444,386.78
4.1 Net profit from continuing operations (“-” for net loss)	33,793,320.46	17,444,386.78
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	22,732,693.67	30,999,075.00

5.1 Items that will not be reclassified to profit or loss	22,732,693.67	30,999,075.00
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments	22,732,693.67	30,999,075.00
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of other debt investments		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for other debt investments		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	56,526,014.13	48,443,461.78
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He



## 7. Consolidated Cash Flow Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,611,643,141.67	1,364,093,458.22
Net increase in customer deposits and deposits from other banks and financial institutions		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, fees and commissions received		
Net increase in loans from other banks and financial institutions		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax and levy rebates	21,886,374.72	23,791,753.91
Cash generated from other operating activities	11,604,073.90	12,148,649.31
Subtotal of cash generated from operating activities	1,645,133,590.29	1,400,033,861.44
Payments for commodities and services	1,284,823,979.81	1,269,133,440.46
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and other banks and financial institutions		
Payments for claims on original insurance contracts		
Net increase in loans to other banks and financial institutions		
Interest, fees and commissions paid		
Policy dividends paid		
Cash paid to and for employees	220,889,699.06	220,572,688.59
Taxes and levies paid	32,562,156.11	20,667,117.44
Cash used in other operating activities	89,171,955.10	66,561,945.90

Subtotal of cash used in operating activities	1,627,447,790.08	1,576,935,192.39
Net cash generated from/used in operating activities	17,685,800.21	-176,901,330.95
2. Cash flows from investing activities:		
Proceeds from disinvestment	29,773,443.16	17,900,000.00
Return on investment	5,503,903.85	6,480,702.52
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	108,370.88	1,040,506.08
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	97,150.00	
Subtotal of cash generated from investing activities	35,482,867.89	25,421,208.60
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	114,151,611.40	16,317,913.12
Payments for investments	25,022,956.16	77,088,441.76
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	930,300.00	
Subtotal of cash used in investing activities	140,104,867.56	93,406,354.88
Net cash generated from/used in investing activities	-104,621,999.67	-67,985,146.28
3. Cash flows from financing activities:		
Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings received	20,000,000.00	19,000,000.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	20,000,000.00	19,000,000.00
Repayment of borrowings	20,000,000.00	44,500,000.00
Interest and dividends paid	2,280,722.28	18,854,400.12
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities		
Subtotal of cash used in financing activities	22,280,722.28	63,354,400.12
Net cash generated from/used in financing activities	-2,280,722.28	-44,354,400.12
4. Effect of foreign exchange rates changes on cash and cash equivalents	-401,452.02	
5. Net increase in cash and cash equivalents	-89,618,373.76	-289,240,877.35

Add: Cash and cash equivalents, beginning of the period	545,959,998.20	691,266,373.34
6. Cash and cash equivalents, end of the period	456,341,624.44	402,025,495.99

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

**8. Cash Flow Statement of the Company as the Parent for Q1~Q3**

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
<b>1. Cash flows from operating activities:</b>		
Proceeds from sale of commodities and rendering of services	1,382,048,122.49	1,175,685,236.64
Tax and levy rebates	14,909,572.36	17,666,191.34
Cash generated from other operating activities	7,698,523.96	7,495,628.63
Subtotal of cash generated from operating activities	1,404,656,218.81	1,200,847,056.61
Payments for commodities and services	1,108,481,874.19	1,132,183,895.35
Cash paid to and for employees	186,731,262.98	183,902,068.67
Taxes and levies paid	21,731,249.39	10,494,488.59
Cash used in other operating activities	78,159,754.99	50,986,232.72
Subtotal of cash used in operating activities	1,395,104,141.55	1,377,566,685.33
Net cash generated from/used in operating activities	9,552,077.26	-176,719,628.72
<b>2. Cash flows from investing activities:</b>		
Proceeds from disinvestment	500,487.00	
Return on investment	4,983,988.73	6,116,775.16
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	107,470.88	1,024,006.08
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	5,591,946.61	7,140,781.24
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	6,477,322.90	11,570,933.53
Payments for investments	115,000,000.00	60,000,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	121,477,322.90	71,570,933.53
Net cash generated from/used in investing activities	-115,885,376.29	-64,430,152.29
<b>3. Cash flows from financing activities:</b>		
Capital contributions received		
Borrowings received	5,000,000.00	5,000,000.00

Cash generated from other financing activities		
Subtotal of cash generated from financing activities	5,000,000.00	5,000,000.00
Repayment of borrowings	5,000,000.00	28,500,000.00
Interest and dividends paid	951,674.34	17,594,013.63
Cash used in other financing activities		
Subtotal of cash used in financing activities	5,951,674.34	46,094,013.63
Net cash generated from/used in financing activities	-951,674.34	-41,094,013.63
4. Effect of foreign exchange rates changes on cash and cash equivalents	-531,932.82	
5. Net increase in cash and cash equivalents	-107,816,906.19	-282,243,794.64
Add: Cash and cash equivalents, beginning of the period	497,777,104.81	651,854,206.79
6. Cash and cash equivalents, end of the period	389,960,198.62	369,610,412.15

Legal representative: Shi Xinkun

General Manager: Zhang Xin

Head of the accounting department: Jiang He

## II Adjustments to the Financial Statements

### 1. Adjustments to the Financial Statements at the Beginning of the Execution Year (2019) of the New Accounting Standards Governing Financial Instruments, Revenue and Leases

Applicable  Not applicable

Whether items of the balance sheets at the beginning of the year need adjustments

Yes  No

Consolidated balance sheet

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment
Current assets:			
Monetary assets	638,589,260.09	638,589,260.09	
Settlement reserve			
Loans to other banks and financial institutions			
Held-for-trading financial assets	13,050,000.00	13,050,000.00	
Derivative financial assets			
Notes receivable	606,283,023.05	606,283,023.05	
Accounts receivable	419,302,056.87	419,302,056.87	
Receivables financing			
Prepayments	12,968,746.16	12,968,746.16	
Premiums receivable			
Reinsurance receivables			
Receivable reinsurance contract reserve			
Other receivables	9,703,390.94	9,703,390.94	
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories	473,359,168.90	473,359,168.90	
Contract assets			
Assets held for sale			
Current portion of non-current assets			
Other current assets	6,421,275.47	6,421,275.47	
Total current assets	2,179,676,921.48	2,179,676,921.48	
Non-current assets:			

Loans and advances to customers			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Investments in other equity instruments	532,886,000.00	532,886,000.00	
Other non-current financial assets	77,952,101.63	77,952,101.63	
Investment property	48,447,666.83	48,447,666.83	
Fixed assets	457,722,667.32	457,722,667.32	
Construction in progress	91,358,156.24	91,358,156.24	
Productive living assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets	99,699,450.26	99,699,450.26	
Development costs			
Goodwill			
Long-term prepaid expense	53,497.80	53,497.80	
Deferred income tax assets	1,023,863.04	1,023,863.04	
Other non-current assets			
Total non-current assets	1,309,143,403.12	1,309,143,403.12	
Total assets	3,488,820,324.60	3,488,820,324.60	
Current liabilities:			
Short-term borrowings	22,000,000.00	22,000,000.00	
Borrowings from the central bank			
Loans from other banks and financial institutions			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	403,035,000.00	403,035,000.00	
Accounts payable	525,625,016.89	525,625,016.89	
Advances from customers	31,789,001.78		-31,789,001.78
Contract liabilities		31,789,001.78	31,789,001.78
Financial assets sold under repurchase agreements			
Customer deposits and deposits from other			

banks and financial institutions			
Payables for acting trading of securities			
Payables for underwriting of securities			
Employee benefits payable	44,559,015.79	44,559,015.79	
Taxes and levies payable	9,094,382.58	9,094,382.58	
Other payables	205,064,145.10	205,064,145.10	
Including: Interest payable			
Dividends payable	3,891,433.83	3,891,433.83	
Fees and commissions payable			
Reinsurance payables			
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities			
Other current liabilities	1,177,712.38	1,177,712.38	
Total current liabilities	1,242,344,274.52	1,242,344,274.52	
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings			
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income	58,864,111.22	58,864,111.22	
Deferred income tax liabilities	57,082,890.27	57,082,890.27	
Other non-current liabilities			
Total non-current liabilities	115,947,001.49	115,947,001.49	
Total liabilities	1,358,291,276.01	1,358,291,276.01	
Owners' equity:			
Share capital	561,374,326.00	561,374,326.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			



Capital reserves	164,328,665.43	164,328,665.43	
Less: Treasury stock			
Other comprehensive income	317,059,775.00	317,059,775.00	
Specific reserve	17,560,202.07	17,560,202.07	
Surplus reserves	322,228,533.72	322,228,533.72	
General reserve			
Retained earnings	728,341,265.36	728,341,265.36	
Total equity attributable to owners of the Company as the parent	2,110,892,767.58	2,110,892,767.58	
Non-controlling interests	19,636,281.01	19,636,281.01	
Total owners' equity	2,130,529,048.59	2,130,529,048.59	
Total liabilities and owners' equity	3,488,820,324.60	3,488,820,324.60	

## Balance sheet of the Company as the parent

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment
Current assets:			
Monetary assets	584,957,678.96	584,957,678.96	
Held-for-trading financial assets			
Derivative financial assets			
Notes receivable	576,948,023.05	576,948,023.05	
Accounts receivable	337,447,538.04	337,447,538.04	
Receivables financing			
Prepayments	6,386,284.14	6,386,284.14	
Other receivables	22,741,542.22	22,741,542.22	
Including: Interest receivable			
Dividends receivable			
Inventories	368,653,472.39	368,653,472.39	
Contract assets			
Assets held for sale			
Current portion of non-current assets			
Other current assets	3,898,333.51	3,898,333.51	
Total current assets	1,901,032,872.31	1,901,032,872.31	
Non-current assets:			
Debt investments			
Other debt investments			

Long-term receivables			
Long-term equity investments	252,752,730.03	252,752,730.03	
Investments in other equity instruments	532,886,000.00	532,886,000.00	
Other non-current financial assets	50,000,000.00	50,000,000.00	
Investment property	48,447,666.83	48,447,666.83	
Fixed assets	364,071,199.07	364,071,199.07	
Construction in progress	89,330,161.60	89,330,161.60	
Productive living assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets	70,169,770.91	70,169,770.91	
Development costs			
Goodwill			
Long-term prepaid expense			
Deferred income tax assets	970,026.67	970,026.67	
Other non-current assets			
Total non-current assets	1,408,627,555.11	1,408,627,555.11	
Total assets	3,309,660,427.42	3,309,660,427.42	
Current liabilities:			
Short-term borrowings	5,000,000.00	5,000,000.00	
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	392,105,000.00	392,105,000.00	
Accounts payable	481,854,210.18	481,854,210.18	
Advances from customers	28,673,664.87		-28,673,664.87
Contract liabilities		28,673,664.87	28,673,664.87
Employee benefits payable	39,125,477.30	39,125,477.30	
Taxes and levies payable	5,952,664.10	5,952,664.10	
Other payables	192,046,130.29	192,046,130.29	
Including: Interest payable			
Dividends payable	3,243,179.97	3,243,179.97	
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities			
Other current liabilities			

Total current liabilities	1,144,757,146.74	1,144,757,146.74	
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income	58,864,111.22	58,864,111.22	
Deferred income tax liabilities	55,951,725.00	55,951,725.00	
Other non-current liabilities			
Total non-current liabilities	114,815,836.22	114,815,836.22	
Total liabilities	1,259,572,982.96	1,259,572,982.96	
Owners' equity:			
Share capital	561,374,326.00	561,374,326.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	183,071,147.70	183,071,147.70	
Less: Treasury stock			
Other comprehensive income	317,059,775.00	317,059,775.00	
Specific reserve	17,560,202.07	17,560,202.07	
Surplus reserves	322,228,533.72	322,228,533.72	
Retained earnings	648,793,459.97	648,793,459.97	
Total owners' equity	2,050,087,444.46	2,050,087,444.46	
Total liabilities and owners' equity	3,309,660,427.42	3,309,660,427.42	

## 2. Retrospective Adjustments to the Comparative Data of Prior Periods due to the First Execution in 2020 of the New Accounting Standards Governing Revenue and Leases

Applicable  Not applicable

### **III Independent Auditor's Report**

Indicate by tick mark whether the financial statements above have been audited by an independent auditor.

Yes  No

These financial statements have not been audited by such an auditor.