

Stock code: 000521, 200521

Notice No.: 2021-083

short form of the stock: Changhong Meiling, Hongmeiling B

CHANGHONG MEILING CO., LTD. THE THIRD QUARTERLY REPORT FOR 2021

The Company and whole members of the BOD guarantee that the information disclosed is true, accurate and complete, and there are no any fictitious records, misleading statements or important omissions.

Important content reminder:

1. Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Changhong Meiling Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.
2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.
3. Whether the Third Quarterly Report has been audited or not
 Yes No

I. Main financial data

(i) Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current period	Increase/decrease in the period compared with the same period of the previous year	Year-begin to period-end	Increase/decrease from year-begin to period-end compared with the same period of the previous year
Operating income (Yuan)	4,312,251,172.73	-5.45%	13,915,010,518.02	22.53%

Net profit attributable to shareholders of the listed company (Yuan)	25,102,342.76	-71.01%	62,259,854.30	150.39%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (Yuan)	-1,016,633.94	-106.23%	-64,569,048.95	73.19%
Net cash flow arising from operating activities (Yuan)	—	—	-184,729,360.39	33.70%
Basic earnings per share (Yuan /Share)	0.0240	-71.05%	0.0596	150.38%
Diluted earnings per share (Yuan /Share)	0.0240	-71.05%	0.0596	150.38%
Weighted average ROE	0.52%	A decrease of 1.29 percentage points	1.28%	An increase of 3.79 percentage points
	End of current period	End of previous year	Increase/decrease at the period-end compared with the end of the previous year	
Total assets (Yuan)	15,691,792,207.14	16,103,355,454.46	-2.56%	
Net assets attributable to shareholder of listed company (Yuan)	4,857,058,554.70	4,854,173,682.43	0.06%	

(ii) Items and amounts of non-recurring profit (gains)/losses

√ Applicable □ Not applicable

Unit: Yuan

Item	Amount for the period	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-17,846.58	-754,429.92	See "Proceeds from Asset Disposal" and "Non-operating Income/Expense" for

			details.
Government subsidy recorded in current gains/losses (except those closely related to the Company's normal operation, and those continuously enjoyed on a fixed or quantitative basis with certain standards in accordance with national policy regulations)	23,226,869.48	77,928,969.24	See "Other Earnings" for details.
Losses/gains from changes of fair values occurred in holding trading financial assets and trading financial liabilities, and investment income obtaining from the disposal of trading financial assets and trading financial liability, excluded effective hedging business relevant with normal operations of the Company	7,186,220.84	66,036,083.22	See "Fair value Change income" and "Investment Income" for details.
Reversal of the account receivable depreciation reserves subject to separate impairment test	159,777.85	1,388,389.10	See "Accounts Receivable" for details.
Other non-operating income and expenses other than the above	999,112.79	6,628,445.32	See "Non-operating Income" and "Non-operating Expenses" for details.
Less: impact on income tax	4,341,036.56	21,986,708.18	
Impact on minority shareholders' equity (post-tax)	1,094,121.12	2,411,845.53	
Total	26,118,976.70	126,828,903.25	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

Applicable Not applicable

The Company does not have other gain/loss items that qualified the definition of non-recurring profit (gains)/losses

Explanation on those non-recurring gain/loss listed in the "Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss" defined as recurring gain/loss

Applicable Not applicable

The Company does not have the non-recurring gain/loss listed in the "Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss" defined as recurring gain/loss

(iii) Particulars about changes in items of main accounting data and financial index and explanations of reasons

Applicable Not applicable

1. Changes and reasons of items in balance sheet

Unit: Yuan

Item	Ending balance	Balance at last Year	Changes ratio	Reasons of changes
Trading financial assets	395,666,180.17	47,242,339.07	737.52%	Mainly due to the financial products purchased by the Company in current period.
Notes receivable	159,935,906.44	340,421,386.71	-53.02%	Mainly due to the notes receivable due for remittance in the current period.
Account receivable	2,031,949,829.74	1,130,275,780.66	79.77%	Mainly due to the growth of operation revenue in the current period
Account paid in advance	64,863,143.78	30,105,373.40	115.45%	Mainly due to the prepayment of purchases increased in the current period.
Other current assets	74,584,938.18	198,353,464.98	-62.40%	Mainly due to the VAT retained tax refund.
Long-term equity investment	53,836,406.41	76,982,822.38	-30.07%	Mainly due to the investment losses from joint ventures and associates in the current period.
Construction in progress	81,634,715.75	60,775,088.96	34.32%	Mainly due to the engineering inputs increased in the current period.
Right-of-use asset	33,033,246.07	-	-	Mainly due to the implementation of new leasing standards in the current period
Short-term loan	886,293,630.28	1,336,209,050.55	-33.67%	Mainly due to the repayment of short-term borrowings.
Trading financial liabilities	2,318,206.64	4,584,076.51	-49.43%	Mainly due to the changes in fair value of forward foreign exchange contracts in the current period.
Employee compensation payable	173,386,003.30	290,321,776.05	-40.28%	Mainly due to the payment of employee remuneration in the current period.
Lease liability	22,352,167.76	-	-	Mainly due to the implementation of new leasing standards in the current period.
Accrual liabilities	15,160,400.14	62,392,735.07	-75.70%	Mainly due to the write-off of the accrual liabilities in the current period.
Deferred income tax liability	5,738,912.89	10,575,582.33	-45.73%	Mainly due to the reversal of deferred income tax liability in the current period.
Treasury stock	17,324,792.23	9,929,336.18	74.48%	Mainly due to the repurchase of B-share in the current period.
Minority interests	147,051,252.93	107,921,283.49	36.26%	Mainly due to the earnings increased from some non-wholly owned subsidiaries in the current period.

2. Changes and reasons of items in profit statement

Unit: Yuan

Item	Amount at the period	Amount at the same period of previous year	Changes ratio	Reasons of changes
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Financial expenses	-35,552,769.58	-1,509,899.93	-2254.64%	Mainly the current period of the company exchange earnings, exchange losses caused by the same period last year.
Investment income	80,853,371.21	47,154,706.68	71.46%	Mainly due to the forward foreign exchange contract delivery gains increased on a y-o-y basis in the current period.
Income from fair value changes	-28,310,289.03	17,956,801.15	-257.66%	Mainly due to the changes in fair value of forward foreign exchange contracts in the current period.
Credit impairment loss	-21,358,115.43	-33,008,077.62	-35.29%	Mainly due to the y-o-y decrease in impairment loss on receivable.
Asset impairment loss	-46,558,863.61	-34,714,276.42	34.12%	The company's main current accounts receivable impairment loss caused by the year-on-year reduction.
Income from assets disposal	-249,004.26	-542,955.36	54.14%	Mainly due to the y-o-y declined of losses from assets disposal in the current period.
Non-operating income	8,126,104.09	5,072,408.44	60.20%	Mainly is the current period of the company's long-term liquidation caused by.
Non-operation expenditure	2,003,084.43	1,206,761.93	65.99%	The main department of this period of the company's assets scrapped loss caused by.
Income tax expenses	29,394,642.88	1,746,437.69	1583.12%	Mainly due to the increase in income tax expenses due to the growth of taxable income.
Gains/losses of minority shareholders	25,630,675.63	-2,151,849.18	1291.10%	Mainly due to the earnings increased on a y-o-y basis from some non-wholly owned subsidiaries in the current period.

3. Changes and reasons of items in cash flow statement

Unit: Yuan

Item	Amount at the period	Amount at the same period of previous year	Changes ratio	Reasons of changes
Cash received from selling commodities and providing labor services	13,404,052,674.38	10,004,693,970.59	33.98%	Mainly due to the cash received from commodity selling and providing labor services increased on a y-o-y basis.
Write-back of tax received	561,963,582.97	412,733,445.22	36.16%	The main department of the current period of the company received value-added tax left against the tax refund caused by.
Cash paid for purchasing commodities and receiving labor service	12,095,383,651.27	8,837,934,853.44	36.86%	Mainly because the cash paid for raw materials increased on a y-o-y basis.
Cash received from recovering investment	1,420,000,000.00	737,460,000.00	92.55%	Mainly because the financial products are due for collection in the current period.
Cash received from investment income	23,968,192.46	42,570,007.43	-43.70%	Mainly because received a dividends from Hongyun Fund Investment in the same period of last year, while there was no such item occurred in current period.
Net cash received from disposal of fixed, intangible and other long-term assets	1,290,668.56	381,041.58	238.72%	Mainly the disposal of fixed assets of the company in the current period of cash received by the year-on-year increase.
Cash paid for purchasing fixed, intangible and other long-term assets	187,456,291.30	296,007,313.74	-36.67%	Mainly because purchase and construction of intangible assets from subsidiary Changhong Air-conditioning declined from a year earlier.
Other cash paid concerning investing	58,411.60	-	-	Mainly due to the new foreign exchange contract delivery losses

activities				from subsidiary Zhongke Meiling.
Cash received from absorbing investment	15,000,000.00	-		Mainly due to the new absorbed investment from minority shareholders by subsidiary Life Electric.
Other cash received concerning financing activities	5,986,105.14	-		Mainly due to the bill discounting from subsidiary Changhong Air-conditioning.
Other cash paid concerning financing activities	15,403,414.62	2,432,566.62	533.22%	Mainly due to the cash paid for B-share repurchase and payment of the principal & interest on lease liabilities.
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	24,846,222.17	-18,563,610.41	233.84%	Mainly due to the effect of changes in exchange rate.

II. Shareholders Information

(i) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

Unit: Share

Total common shareholders at end of the Period	67,605	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
Sichuan Changhong Electric Co., Ltd.	State-owned legal person	23.79%	248,457,724	0	-	--
Hefei Industrial Investment Holding (Group) Co., Ltd.	State-owned legal person	4.58%	47,823,401	0	-	-
CHANGHONG (HK) TRADING LIMITED	Foreign legal person	2.59%	27,077,797	0	-	-

CAOSHENGCHUN	Foreign natural person	1.41%	14,766,086	0	-	-
Ma Guobin	Domestic natural person	1.34%	14,010,900	0	-	-
Caitong Fund- Ningbo Bank-Haitong Xingtai (Anhui) Emerging Industry Investment Fund (Limited Partnership)	Domestic non-state-owned legal person	1.03%	10,733,452	0	-	-
Phillip Securities (Hong Kong) Limited	Foreign legal person	0.60%	6,296,913	0	-	-
Societe Generale	Foreign legal person	0.50%	5,186,843	0	-	-
Wang Yumei	Domestic natural person	0.45%	4,717,700	0	-	-
Chen Qin	Domestic natural person	0.39%	4,091,288	0	-	-
Particular about top ten shareholders with un-restrict shares held						
Shareholders' name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Sichuan Changhong Electric Co., Ltd.	248,457,724	RMB ordinary shares	248,457,724			
Hefei Industrial Investment Holding (Group) Co., Ltd.	47,823,401	RMB ordinary shares	47,823,401			
CHANGHONG (HK) TRADING LIMITED	27,077,797	Domestically listed foreign shares	27,077,797			
CAOSHENGCHUN	14,766,086	Domestically listed foreign shares	14,766,086			
Ma Guobin	14,010,900	RMB ordinary shares	14,010,900			
Caitong Fund- Ningbo Bank-Haitong Xingtai (Anhui) Emerging Industry Investment Fund (Limited Partnership)	10,733,452	RMB ordinary shares	10,733,452			
Phillip Securities (Hong Kong) Limited	6,296,913	Domestically listed foreign shares	6,296,913			
Societe Generale	5,186,843	RMB ordinary shares	5,186,843			
Wang Yumei	4,717,700	RMB ordinary shares	4,717,700			
Chen Qin	4,091,288	RMB ordinary shares	4,091,288			
Explanation on associated relationship or consistent actors among the aforesaid shareholders	Among the above shareholders, CHANGHONG (HK) TRADING LIMITED (hereinafter referred to as Hong Kong Changhong) is the wholly-owned subsidiary of Sichuan Changhong Electric Co., Ltd.; except the shares of the Company directly held by Hong Kong Changhong, 6,296,913 shares of B-stock are also held through Phillip Securities (Hong Kong) Co., Ltd., the foregoing shareholders constitute persons of uniform action. There existed no associated					

	relationship or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong, Hong Kong Changhong and other top 7 shareholders (Excluding Phillip Securities (Hong Kong) Co., Ltd.) ; “Caitong Fund- Ningbo Bank-Haitong Xingtai (Anhui) Emerging Industry Investment Fund (Limited Partnership)” refers to the products of Caitong Fund Management Company subscribe for privately placement of 2016; The company neither knows whether there is any association among other shareholders, nor knows whether other shareholders belong to the persons acting in concert that is stipulated in the “Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies”.
Explanation on top ten common shareholders involving margin business (if applicable)	As of 30 th September 2021, among the top 10 common shareholders, Ma Guobin holds 10,976,700 shares of the Company through customer credit trading secured account of Founder Securities Co., Ltd., and 3,034,200 shares hold through common securities account, thus 14,010,900 shares of the Company are held in total.

(ii) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

III. Other significant events

Applicable Not applicable

Overview	Date for disclosure	Information index for temporary report disclosure
After review and approval by the resolution of the BOD, BOS and General meeting of shareholders, it was agreed that the company would use the idle raised funds with 120 million yuan at most (the quota can be used on a rolling basis) to invest in the high-security, good-liquidity and capital-guaranteed financial products with maturity within one year.	March 3, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-008, No. 2021-009, No. 2021-010 and No. 2021-034)
After review and approval by the resolution of the BOD, it was agreed that the subordinate controlling subsidiary Zhongke Meiling Cryogenic Technology Co., Ltd. to newly established a wholly-owned subsidiary- Anhui Ling'an Medical Devices Co., Ltd. with 10 million yuan.	March 3, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-008)
After review and approval by the resolution of the BOD, BOS and General meeting of shareholders, it was agreed that the Company provide a credit guarantee line (not exceeding 350 million yuan)	March 3, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-008, No. 2021-009,

with a period of one year to its subordinate controlling subsidiary Hefei Changhong Meiling Life Electric Co., Ltd..		No. 2021-011 and No. 2021-034)
After review and approval by the resolution of the BOD, it was agreed to performing technical renovations on the production line of Hefei Base Refrigerator (cabinet) with 24.4276 million yuan, achieving the cost reduction and efficiency gains to reduce manufacturing costs and further enhance the market competitiveness of the company's products.	March 3, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-008)
After review and approval by the resolution of the BOD and General meeting of shareholders, it was agreed that the Company and its subordinate subsidiaries carry out the forward foreign exchange funds trading business between 1 July 2021 and 30 June 2022. The balance of trading shall not exceed US\$ 720 million (mainly including: USD, AUD and EUR, all other foreign currencies are converted to USD), the maximum settlement period of a single transaction shall not exceed one year.	March 3, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-013, No. 2021-019 and No. 2021-034)
After review and approval by the resolution of the BOD and General meeting of shareholders, it was agreed that the Company to formulated the "Shareholder Return Plan for the Next Three Years (2021-2023)".	March 31, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-013, and No. 2021-034)
After review and approval by the resolution of the BOD and General meeting of shareholders, it was agreed that the subordinate subsidiary of the company- Zhongshan Changhong to write-off a bad debt of 1,657,332.46 yuan in total, which was really beyond collection.	March 31, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-013, No. 2021-020 and No. 2021-034)
After review and approval by the resolution of the BOD, agreed to appoint Mr. Tang Youdao as the Vice President of the Company, his office term will same as the term as the current BOD.	March 31, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-013)
After review and approval by the resolution of the BOD, BOS and General meeting of shareholders, it was agreed that controlling subsidiary - Zhongke Meiling Cryogenic Technology Co., Ltd. to provide 60 million yuan credit guarantee line to its wholly-own subsidiary- Anhui Tuoxing Technology Co., Ltd with guarantee period of one year.	March 31, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-013, No. 2021-014, No. 2021-021 and No. 2021-034)
After review and approval by the resolution of the BOD and General meeting of shareholders, it was agreed that the company and its subsidiaries to applying for a special credit line for the note pool from the follow institutions as: up to 300 million yuan	March 31, 2021 April 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-013, No. 2021-022 and No. 2021-034)

<p>from Hefei Branch of Industrial Bank Co., ltd, up to 300 million yuan from Hefei Branch of Ping An Bank Co., ltd, up to 300 million yuan from Hefei Economic Development Zone Branch of Huishang Bank Co., Ltd., up to 300 million yuan from Hefei Branch of China Merchants Bank and up to 50 million yuan from Hefei Branch of CITIC Bank.</p>		
<p>After review and approval by the resolution of the BOD and General meeting of shareholders, agreed to re-appoints Shine Wing Certified Public Accountants (LLP) as the audit institution of the annual financial report 2021 and internal control of the Company with one year period. At the same time, to request the shareholders' general meeting to authorize management of the Company to determine its annual audit remuneration, according to the industry standards and actual audit works of the company.</p>	<p>March 31, 2021 April 29, 2021</p>	<p>Juchao Website: http://www.cninfo.com.cn (No. 2021-013, No. 2021-017 and No. 2021-034)</p>
<p>Former securities affairs representative and staff supervisor Mr. Zhu Wenjie, apply to resign as the staff supervisor of 10th BOS and securities affairs representative due to personal reasons. To ensure that the structure of the BOS conforms to the relevant legal requirements, the staff congress held on 30 March 2021, after voting by the staff representative, agreed to elected Ms. Sun Hongying as the staff supervisor of the 10th BOS, term of office shall commence from the date of deliberation and approved by Staff Congress to the date of expiration of the 10th BOS.</p>	<p>March 31, 2021</p>	<p>Juchao Website: http://www.cninfo.com.cn (No. 2021-023)</p>
<p>After review and approval by the resolution of the BOD and BOS, it was agreed that the Company should implement the new leasing standards and change the related accounting policy according to the relevant regulations and requirements of the Ministry of Finance.</p>	<p>April 20, 2021</p>	<p>Juchao Website: http://www.cninfo.com.cn (No. 2021-028, No. 2021-029 and No. 2021-030)</p>
<p>After review and approval by the resolution of the BOD, BOS and General meeting of shareholders, agreed that the company terminates the use of the raised funds to purchase underlying assets of the sub-project "intelligent research and development management platform construction" of the "intelligent research and development ability building and intelligent home appliance technology development project" from Sichuan Changhong Electric Co., Ltd. and its subsidiaries and the related transactions.</p>	<p>April 20, 2021 June 17, 2021</p>	<p>Juchao Website: http://www.cninfo.com.cn (No. 2021-028, No. 2021-029, No. 2021-031 and No. 2021-046)</p>
<p>After review and approval by the resolution of the BOD, agreed that the company's wholly-owned subsidiary Hefei Meiling</p>	<p>May 27, 2021</p>	<p>Juchao Website: http://www.cninfo.com.cn</p>

Wulian Technology Co., Ltd to invests 37.69 million yuan in building industrial internet service capacity to further expand informatization and digital business and service capacity, and build a comprehensive capability of new business type integrating "manufacturing + service" businesses.		(No. 2021-038)
After review and approval by the resolution of the BOD, agreed that the company and its subsidiaries apply to Bank of Jiujiang , Hefei Branch for a special credit line of up to 400 million yuan of bill pool, the credit period is one year, the types of credit are mainly used for the special business of bill pool, and endorsement for pledge is adopted.	May 27, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-038 and No. 2021-039)
After deliberated by the BOD and BOS and review and approval by the General meeting of shareholders, agreed to purchase the liability insurance for the Company and all directors, supervisors and senior executives.	July 13, 2021 July 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-050, No. 2021-051, No. 2021-052 and No. 2021-058)
After review and approval by the resolution of the BOD, BOS and General meeting of shareholders, agreed the Company to increase the predicted amount of routine related transactions to 30 million yuan (tax excluded) at most, including the business as financial leasing, commercial factoring and bill financing provided by Yuanxin Financial Leasing Co., Ltd to the Company and its wholly-owned subsidiaries for year of 2021.	July 13, 2021 July 29, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-050, No. 2021-051, No. 2021-053 and No. 2021-058)
The subordinate controlling subsidiary- Zhongke Meiling Cryogenic Technology Co., Ltd received a “Administrative Penalty Decision of Anhui Province Medical Products Administration” in mid-July from Anhui Province Medical Products Administration	July 16, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-056)
After review and approval by the BOD, agreed the Company to invest 15.0529 million yuan on reconstruction of the substation in refrigerator park of Hefei manufacturing base, thus providing a strong guarantee for the sustainable development of the operation and production of the Company.	August 18, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-060)
After review and approval by the BOD, agreed that the Company will hand over the idle land use rights and houses (lands located in Area A, Longgang Industrial Zone, Yaohai District, Hefei City) to government for expropriation.	August 18, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-060 and No. 2021-064)
After review and approval by the BOD, agreed that the Company should invest approximately 30.9131 million yuan for the	August 18, 2021	Juchao Website: http://www.cninfo.com.cn

relocation and expansion of the extrusion line in Hefei refrigerator manufacturing base to ensure the improvement of manufacturing capacity and production & operation needs.		(No. 2021-060)
The “Special Report on Deposit and Use of Funds Raised in the First Half of 2021” was released by the Company on August 18, 2021. And as of September 30, 2021, the projects with fund raised privately in 2016 actually have 1,131,713,720.82 yuan used cumulatively, the balance of the special account for proceeds deposit was 101,997,251.16 yuan (including interest income 4,388,287.76 yuan and maturity income of 40,554,235.69 yuan from bank wealth management products)	August 18, 2021 October 20, 2021	Juchao Website: http://www.cninfo.com.cn (No. 2021-063 and No. 2021-083)

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate balance sheet

Prepared by Changhong Meiling Co., Ltd.

Unit: Yuan

Item	September 30, 2021	December 31, 2020
Current assets:		
Monetary fund	5,616,304,292.60	6,594,786,789.98
Settlement provisions		
Capital lent		
Trading financial assets	395,666,180.17	47,242,339.07
Derivative financial assets		
Note receivable	159,935,906.44	340,421,386.71
Account receivable	2,031,949,829.74	1,130,275,780.66
Receivable financing	1,394,866,085.58	1,632,388,702.83
Accounts paid in advance	64,863,143.78	30,105,373.40
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	116,036,131.33	145,705,978.26
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	1,602,309,728.39	1,715,354,951.43

Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	74,584,938.18	198,353,464.98
Total current assets	11,456,516,236.21	11,834,634,767.32
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	53,836,406.41	76,982,822.38
Investment in other equity instrument		
Other non-current financial assets	548,148,931.34	548,148,931.34
Investment real estate	53,629,308.83	53,888,462.00
Fixed assets	2,319,118,984.83	2,391,859,440.31
Construction in progress	81,634,715.75	60,775,088.96
Productive biological asset		
Oil and gas asset		
Right-of-use assets	33,033,246.07	
Intangible assets	947,790,673.24	936,851,520.65
Expense on Research and Development	81,001,073.76	73,028,441.56
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	117,082,630.70	127,185,979.94
Other non-current asset		
Total non-current asset	4,235,275,970.93	4,268,720,687.14
Total assets	15,691,792,207.14	16,103,355,454.46
Current liabilities:		
Short-term loans	886,293,630.28	1,336,209,050.55
Loan from central bank		
Capital borrowed		
Trading financial liability	2,318,206.64	4,584,076.51
Derivative financial liability		
Note payable	5,194,596,289.96	4,439,607,982.34
Account payable	2,211,903,239.05	2,851,999,684.30
Accounts received in advance		

Contractual liability	508,999,162.32	522,550,891.28
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	173,386,003.30	290,321,776.05
Taxes payable	115,040,809.29	89,682,433.90
Other account payable	848,932,270.79	724,701,686.72
Including: Interest payable		
Dividend payable	4,753,764.56	4,466,628.25
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	323,227,524.41	407,825,150.74
Other current liabilities	25,692,352.24	22,923,698.73
Total current liabilities	10,290,389,488.28	10,690,406,431.12
Non-current liabilities:		
Insurance contract reserve		
Long-term loans	178,000,000.00	188,231,439.30
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	22,352,167.76	
Long-term account payable	1,385,732.43	1,705,323.91
Long-term wages payable	8,596,106.90	10,571,526.69
Accrual liability	15,160,400.14	62,392,735.07
Deferred income	166,059,591.11	177,377,450.12
Deferred income tax liabilities	5,738,912.89	10,575,582.33
Other non-current liabilities		
Total non-current liabilities	397,292,911.23	450,854,057.42
Total liabilities	10,687,682,399.51	11,141,260,488.54
Owner's equity:		
Share capital	1,044,597,881.00	1,044,597,881.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		

Capital public reserve	2,683,833,100.04	2,683,837,229.12
Less: Inventory shares	17,324,792.23	9,929,336.18
Other comprehensive income	-21,650,060.47	-21,451,084.17
Reasonable reserve		
Surplus public reserve	416,364,790.43	416,364,790.43
Provision of general risk		
Retained profit	751,237,635.93	740,754,202.23
Total owner's equity attributable to parent company	4,857,058,554.70	4,854,173,682.43
Minority interests	147,051,252.93	107,921,283.49
Total owner's equity	5,004,109,807.63	4,962,094,965.92
Total liabilities and owner's equity	15,691,792,207.14	16,103,355,454.46

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Yang Jun

2. Consolidated Profit Statement (from the year-begin to the period-end)

Unit: Yuan

Item	Current period	Last period
I. Total operating income	13,915,010,518.02	11,356,742,966.11
Including: Operating income	13,915,010,518.02	11,356,742,966.11
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	13,872,478,761.87	11,554,834,849.35
Including: Operating cost	12,225,814,695.57	9,469,161,384.07
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	96,101,240.28	99,798,451.84

Sales expense	1,064,459,268.59	1,519,429,320.36
Administrative expense	221,253,602.91	203,336,291.49
R&D expense	300,402,724.10	264,619,301.52
Financial expense	-35,552,769.58	-1,509,899.93
Including: Interest expenses	50,740,185.10	68,673,511.11
Interest income	100,950,646.76	105,402,339.93
Add: other income	84,253,298.12	73,419,100.44
Investment income (Loss is listed with “-”)	80,853,371.21	47,154,706.68
Including: Investment income on affiliated company and joint venture	-21,089,185.99	752,761.07
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)	-28,310,289.03	17,956,801.15
Loss of credit impairment (Loss is listed with “-”)	-21,358,115.43	-33,008,077.62
Losses of devaluation of asset (Loss is listed with “-”)	-46,558,863.61	-34,714,276.42
Income from assets disposal (Loss is listed with “-”)	-249,004.26	-542,955.36
III. Operating profit (Loss is listed with “-”)	111,162,153.15	-127,826,584.37
Add: Non-operating income	8,126,104.09	5,072,408.44
Less: Non-operating expense	2,003,084.43	1,206,761.93
IV. Total profit (Loss is listed with “-”)	117,285,172.81	-123,960,937.86
Less: Income tax expense	29,394,642.88	1,746,437.69
V. Net profit (Net loss is listed with “-”)	87,890,529.93	-125,707,375.55
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	87,890,529.93	-125,707,375.55
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		

1.Net profit attributable to owner's of parent company	62,259,854.30	-123,555,526.37
2.Minority shareholders' gains and losses	25,630,675.63	-2,151,849.18
VI. Net after-tax of other comprehensive income	-100,790.49	-3,423,690.97
Net after-tax of other comprehensive income attributable to owners of parent company	-198,976.30	-2,891,434.28
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	-198,976.30	-2,891,434.28
1.Other comprehensive income under equity method that can transfer to gain/loss	-204,914.10	
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements	5,937.80	-2,891,434.28
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders	98,185.81	-532,256.69
VII. Total comprehensive income	87,789,739.44	-129,131,066.52

Total comprehensive income attributable to owners of parent Company	62,060,878.00	-126,446,960.65
Total comprehensive income attributable to minority shareholders	25,728,861.44	-2,684,105.87
VIII. Earnings per share:		
(i) Basic earnings per share	0.0596	-0.1183
(ii) Diluted earnings per share	0.0596	-0.1183

Enterprise combine under the same control in the Period, the combined party realized net profit of 0.00 Yuan before combination, and realized 0.00 Yuan at last period for combined party

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Yang Jun

3. Consolidated Cash Flow Statement (from the year-begin to the period-end)

Unit: Yuan

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	13,404,052,674.38	10,004,693,970.59
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		

Write-back of tax received	561,963,582.97	412,733,445.22
Other cash received concerning operating activities	117,355,922.31	106,402,002.16
Subtotal of cash inflow arising from operating activities	14,083,372,179.66	10,523,829,417.97
Cash paid for purchasing commodities and receiving labor service	12,095,383,651.27	8,837,934,853.44
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	1,248,072,379.51	1,057,706,226.87
Taxes paid	297,701,677.67	237,937,839.39
Other cash paid concerning operating activities	626,943,831.60	668,861,446.33
Subtotal of cash outflow arising from operating activities	14,268,101,540.05	10,802,440,366.03
Net cash flows arising from operating activities	-184,729,360.39	-278,610,948.06
II. Cash flows arising from investing activities:		
Cash received from recovering investment	1,420,000,000.00	737,460,000.00
Cash received from investment income	23,968,192.46	42,570,007.43
Net cash received from disposal of fixed, intangible and other long-term assets	1,290,668.56	381,041.58
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	157,222,294.61	122,087,124.32
Subtotal of cash inflow from investing activities	1,602,481,155.63	902,498,173.33
Cash paid for purchasing fixed, intangible and other long-term assets	187,456,291.30	296,007,313.74

Cash paid for investment	1,799,000,000.00	1,435,280,051.17
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	58,411.60	
Subtotal of cash outflow from investing activities	1,986,514,702.90	1,731,287,364.91
Net cash flows arising from investing activities	-384,033,547.27	-828,789,191.58
III. Cash flows arising from financing activities		
Cash received from absorbing investment	15,000,000.00	
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	15,000,000.00	
Cash received from loans	1,293,560,455.26	1,703,478,583.33
Other cash received concerning financing activities	5,986,105.14	
Subtotal of cash inflow from financing activities	1,314,546,560.40	1,703,478,583.33
Cash paid for settling debts	1,674,330,870.00	1,374,663,591.82
Cash paid for dividend and profit distributing or interest paying	89,877,378.92	107,526,031.28
Including: Dividend and profit of minority shareholder paid by subsidiaries	1,598,892.00	4,796,676.00
Other cash paid concerning financing activities	15,403,414.62	2,432,566.62
Subtotal of cash outflow from financing activities	1,779,611,663.54	1,484,622,189.72
Net cash flows arising from financing activities	-465,065,103.14	218,856,393.61
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	24,846,222.17	-18,563,610.41
V. Net increase of cash and cash equivalents	-1,008,981,788.63	-907,107,356.44
Add: Balance of cash and cash equivalents at the period-begin	6,425,529,815.10	5,385,807,475.51
VI. Balance of cash and cash equivalents at the period-end	5,416,548,026.47	4,478,700,119.07

(ii) Explanation on financial statement adjustment**1. Financial statement adjustment at the beginning of the first year when implementation of new leasing standards from 2021**

√Applicable □Not applicable

Whether to adjust the balance sheet account at the beginning of the year

√Yes □No

Explain why it is not necessary to adjust the balance sheet accounts at the beginning of the year

Consolidate balance sheet

Unit: Yuan

Item	December 31, 2020	January 1, 2021	Adjustment amount
Current assets:			
Monetary fund	6,594,786,789.98	6,594,786,789.98	
Settlement provisions			
Capital lent			
Trading financial assets	47,242,339.07	47,242,339.07	
Derivative financial assets			
Note receivable	340,421,386.71	340,421,386.71	
Account receivable	1,130,275,780.66	1,130,275,780.66	
Receivable financing	1,632,388,702.83	1,632,388,702.83	
Accounts paid in advance	30,105,373.40	30,070,303.06	-35,070.34
Insurance receivable			
Reinsurance receivables			
Contract reserve of reinsurance receivable			
Other account receivable	145,705,978.26	145,705,978.26	
Including: Interest receivable			
Dividend receivable			
Buying back the sale of financial assets			
Inventories	1,715,354,951.43	1,715,354,951.43	
Contractual assets			
Assets held for sale			
Non-current asset due within one year			

Other current assets	198,353,464.98	198,353,464.98	
Total current assets	11,834,634,767.32	11,834,599,696.98	-35,070.34
Non-current assets:			
Loans and payments on behalf			
Debt investment			
Other debt investment			
Long-term account receivable			
Long-term equity investment	76,982,822.38	76,982,822.38	
Investment in other equity instrument			
Other non-current financial assets	548,148,931.34	548,148,931.34	
Investment real estate	53,888,462.00	53,888,462.00	
Fixed assets	2,391,859,440.31	2,391,859,440.31	
Construction in progress	60,775,088.96	60,775,088.96	
Productive biological asset			
Oil and gas asset			
Right-of-use assets		9,818,834.44	9,818,834.44
Intangible assets	936,851,520.65	936,851,520.65	
Expense on Research and Development	73,028,441.56	73,028,441.56	
Goodwill			
Long-term expenses to be apportioned			
Deferred income tax asset	127,185,979.94	127,185,979.94	
Other non-current asset			
Total non-current asset	4,268,720,687.14	4,278,539,521.58	9,818,834.44
Total assets	16,103,355,454.46	16,113,139,218.56	9,783,764.10
Current liabilities:			
Short-term loans	1,336,209,050.55	1,336,209,050.55	
Loan from central bank			
Capital borrowed			
Trading financial liability	4,584,076.51	4,584,076.51	
Derivative financial			

liability			
Note payable	4,439,607,982.34	4,439,607,982.34	
Account payable	2,851,999,684.30	2,851,999,684.30	
Accounts received in advance			
Contractual liability	522,550,891.28	522,550,891.28	
Selling financial asset of repurchase			
Absorbing deposit and interbank deposit			
Security trading of agency			
Security sales of agency			
Wage payable	290,321,776.05	290,321,776.05	
Taxes payable	89,682,433.90	89,682,433.90	
Other account payable	724,701,686.72	724,701,686.72	
Including: Interest payable			
Dividend payable	4,466,628.25	4,466,628.25	
Commission charge and commission payable			
Reinsurance payable			
Liability held for sale			
Non-current liabilities due within one year	407,825,150.74	412,825,431.41	5,000,280.67
Other current liabilities	22,923,698.73	22,923,698.73	
Total current liabilities	10,690,406,431.12	10,695,406,711.79	5,000,280.67
Non-current liabilities:			
Insurance contract reserve			
Long-term loans	188,231,439.30	188,231,439.30	
Bonds payable			
Including: Preferred stock			
Perpetual capital securities			
Lease liability		4,783,483.43	4,783,483.43
Long-term account payable	1,705,323.91	1,705,323.91	
Long-term wages	10,571,526.69	10,571,526.69	

payable			
Accrual liability	62,392,735.07	62,392,735.07	
Deferred income	177,377,450.12	177,377,450.12	
Deferred income tax liabilities	10,575,582.33	10,575,582.33	
Other non-current liabilities			
Total non-current liabilities	450,854,057.42	455,637,540.85	4,783,483.43
Total liabilities	11,141,260,488.54	11,151,044,252.64	9,783,764.10
Owner's equity:			
Share capital	1,044,597,881.00	1,044,597,881.00	
Other equity instrument			
Including: Preferred stock			
Perpetual capital securities			
Capital public reserve	2,683,837,229.12	2,683,837,229.12	
Less: Inventory shares	9,929,336.18	9,929,336.18	
Other comprehensive income	-21,451,084.17	-21,451,084.17	
Reasonable reserve			
Surplus public reserve	416,364,790.43	416,364,790.43	
Provision of general risk			
Retained profit	740,754,202.23	740,754,202.23	
Total owner's equity attributable to parent company	4,854,173,682.43	4,854,173,682.43	
Minority interests	107,921,283.49	107,921,283.49	
Total owner's equity	4,962,094,965.92	4,962,094,965.92	
Total liabilities and owner's equity	16,103,355,454.46	16,113,139,218.56	9,783,764.10

Statement of adjustment:

In accordance with the new lease standards exercise on 1 Jan. 2021, adjust the amount of items related to the financial statements at the beginning of the year of the first implementation based on the cumulative impact of the first implementation of the new lease standards, without adjusting the comparable period information. For the operating lease prior to the first execution date, the Company shall measure the lease liability according to the present value of remaining lease payments discounted on the basis of the internal resource input interest rate on the first execution date, and the right-of-use asset shall make necessary adjustments according to the sum of the lease liability and the prepayment.

2. Retrospective adjustment of the comparative data for initial implementation of new leasing standards from 2021

Applicable Not applicable

(iii) Audit report

Whether the 3rd quarterly report has been audited or not

Yes No

The 3rd quarterly report of the Company has not been audited.

Board of Directors of

Changhong Meiling Co., Ltd.

October 20, 2021