



CHANGCHAI COMPANY, LIMITED

FIRST QUARTERLY REPORT 2021

28 April 2021

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 (hereinafter referred to as the “Company”) 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 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

	Q1 2021	Q1 2020		Change (%)
		Before	After	After
Operating revenue (RMB)	774,218,489.69	537,033,349.19	538,139,070.21	43.87%
Net profit attributable to the listed company's shareholders (RMB)	24,571,254.83	1,510,305.60	1,404,292.62	1,649.72%
Net profit attributable to the listed company's shareholders before exceptional items (RMB)	23,604,960.00	1,271,708.92	1,140,714.02	1,969.31%
Net cash generated from/used in operating activities (RMB)	-184,484,392.45	19,241,295.96	18,989,933.66	—
Basic earnings per share (RMB/share)	0.0438	0.0027	0.0025	1,652.00%
Diluted earnings per share (RMB/share)	0.0438	0.0027	0.0025	1,652.00%
Weighted average return on equity (%)	1.07%	0.07%	0.07%	1.00%
	31 March 2021	31 December 2020		Change (%)
		Before	After	After
Total assets (RMB)	4,133,968,635.47	3,952,954,464.45	3,952,954,464.45	4.58%
Equity attributable to the listed company's shareholders (RMB)	2,426,095,501.85	2,273,349,347.02	2,273,349,347.02	6.72%

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 4th Meeting of the 9th 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 4th Meeting of the 9th 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 2020

Effected items	1 January 2020 – 31 March 2020	
	Before	After
Income statement:		
1. Revenues	537,033,349.19	538,139,070.21
Operating revenue	537,033,349.19	538,139,070.21
2. Costs and expenses	529,922,440.47	531,160,471.23
Cost of sales	468,398,298.69	468,694,592.90
Taxes and levies	3,081,606.93	3,081,767.05
Selling expense	27,529,136.09	27,568,943.45
Administrative expense	16,267,262.68	17,172,240.77
Finance costs	-823,896.76	-827,105.78
Other income	805,876.00	805,876.00
Investment income	24,734.34	51,031.10
3. Operating profit	2,763,109.02	2,657,096.04
Non-operating expense	368,721.44	368,721.44
4. Gross profit	2,525,534.32	2,419,521.34
Income tax expense	1,008,368.05	1,008,368.05
5. Net profit	1,517,166.27	1,411,153.29
By operating continuity	1,517,166.27	1,411,153.29
Net profit attributable to owners of the Company as the parent	1,510,305.60	1,404,292.62
6. Total comprehensive income	-39,469,833.73	-39,575,846.71
Attributable to owners of the Company as the parent	-39,476,694.40	-39,582,707.38
7. Earnings per share		
7.1 Basic earnings per share	0.0027	0.0025
7.2 Diluted earnings per share	0.0027	0.0025
Cash Flow Statement:		
1. Cash flows from operating activities		
Proceeds from sale of commodities and rendering of services	394,536,274.90	395,541,506.92
Cash generated from other operating activities	3,065,965.22	3,091,386.85
Subtotal of cash generated from operating activities	405,942,727.11	406,973,380.76
Payments for commodities and services	281,322,512.13	282,175,437.06
Cash paid to and for employees	76,966,977.12	77,363,224.39
Taxes and levies paid	7,741,624.22	7,741,784.34

Cash used in other operating activities	20,670,317.68	20,703,001.31
Subtotal of cash used in operating activities	386,701,431.15	387,983,447.10
Net cash generated from/used in operating activities	19,241,295.96	18,989,933.66
2. Cash flows from investing activities:		
Proceeds from disinvestment	1,500,000.00	4,550,000.00
Return on investment	1,778.18	28,074.94
Subtotal of cash generated from investing activities	1,548,278.18	4,624,574.94
Payments for investments	3,000,000.00	6,100,000.00
Cash used in other investing activities	930,300.00	930,300.00
Subtotal of cash used in investing activities	29,054,394.04	32,154,394.04
Net cash generated from/used in investing activities	-27,506,115.86	-27,529,819.10
5. Net increase in cash and cash equivalents	-8,537,210.92	-8,812,276.46
6. Cash and cash equivalents, end of the period	536,047,533.25	535,772,467.71

Exceptional gains and losses:

Applicable Not applicable

Unit: RMB

Item	Q1 2021	Note
Gain/Loss arising from disposal of non-current assets (inclusive of impairment allowance write-offs)	6,800.10	
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	299,348.30	
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	851,116.06	
Other non-operating income and expense other than the above	56,844.59	
Less: Income tax effects	247,814.22	
Non-controlling interests effects (after tax)	0.00	
Total	966,294.83	--

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 for the Reporting Period.

II Total Number of Shareholders and Holdings of Top 10 Shareholders at 31 March 2021

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

Unit: share

Number of ordinary shareholders at the period-end		57,470		Number of preferred shareholders with resumed voting rights at the period-end (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 legal person	30.43%	170,845,236				
KGI ASIA LIMITED	Foreign corporation	0.56%	3,151,695				
Li Suinan	Domestic individual	0.28%	1,548,100				
Huang Guoliang	Domestic individual	0.27%	1,528,891				
China Construction Bank Corporation- First State Cinda New Energy Industry Stock Securities Investment Fund	Other	0.25%	1,418,947				
Chen Jian	Domestic individual	0.22%	1,249,000				
Chen Xiaojing	Domestic individual	0.22%	1,239,100				
Hu Wenyong	Domestic individual	0.22%	1,230,011				
Tao Xiaofang	Domestic individual	0.22%	1,218,400				
Xue Hong	Domestic	0.21%	1,160,000				

		individual				
Top 10 unrestricted shareholders						
Name of shareholder	Unrestricted shares held	Shares by type		Type	Shares	
Changzhou Investment Group Co., Ltd	170,845,236			RMB-denominated ordinary stock	170,845,236	
KGI ASIA LIMITED	3,151,695			Domestically listed foreign stock	3,151,695	
Li Suinan	1,548,100			Overseas listed foreign stock	1,548,100	
Huang Guoliang	1,528,891			Overseas listed foreign stock	1,528,891	
China Construction Bank Corporation- First State Cinda New Energy Industry Stock Securities Investment Fund	1,418,947			RMB-denominated ordinary stock	1,418,947	
Chen Jian	1,249,000			RMB-denominated ordinary stock	1,249,000	
Chen Xiaojing	1,239,100			RMB-denominated ordinary stock	1,239,100	
Hu Wenyong	1,230,011			Domestically listed foreign stock	1,230,011	
Tao Xiaofang	1,218,400			RMB-denominated ordinary stock	1,218,400	
Xue Hong	1,160,000			Domestically listed foreign stock	1,160,000	
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 involved in securities margin trading (if any)	The shareholders Chen Jian and Chen Xiaojing respectively hold 50,000 shares and 1,211,800 shares of the Company through their credit account.					

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 Preferred 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. Accounts receivable increased by RMB381,338,419.54, or 96.02%, as at 31 March 2021 compared to 31 December 2020, primarily because the Company properly allowed customers' buying on credit for more markets in the current quarter and multi-cylinder diesel engine customers are mainly supporting companies of main engine, which are usually given longer payment days.
2. Other current assets decreased by RMB8,672,474.35, or 31.77%, as at 31 March 2021 compared to 31 December 2020, primarily because excess VAT paid of the Company decreased.
3. Construction in progress increased by RMB56,104,226.82, or 84.36%, as at 31 March 2021 compared to 31 December 2020, primarily driven by an increase in construction investment by wholly-owned subsidiary Jiangsu Changchai Machinery Co., Ltd.
4. Employee benefits payable decreased by RMB21,068,831.24, or 42.03%, as at 31 March 2021 compared to 31 December 2020, mainly because accrued salary and bonus in last period was partially paid in this period.
5. Net profit attributable to owners of the Company as the parent went up by RMB23,166,962.21, or 1649.72%, during Q1 2021 compared to Q1 2020, primarily driven by an increase in sales revenue.
6. Net cash generated from operating activities went down by RMB203,474,326.11, during Q1 2021 compared to Q1 2020, primarily because accounts receivable increased, and procurement costs increased as sales expanded.
7. Net cash generated from investing activities went down by RMB62,758,435.88 during Q1 2021 compared to Q1 2020, primarily driven by an increase in construction investment by wholly-owned subsidiary Jiangsu Changchai Machinery Co., Ltd. and the payment of capital increase to Housheng New Energy.

II Progress, Influence and Solutions with regard to Significant Events

Applicable Not applicable

On 9 April 2020, the 24th meeting of the 8th board of directors of the Company discussed and approved the Non-public Offering Plan of the Company for 2020. The Company intended to make non-public issuance of domestic common shares listed in RMB to specific objects, and this matter was approved by the controlling shareholder Changzhou Investment Group Co., Ltd. and was reviewed and adopted in the meeting of shareholders of 2019. On 18 September 2020, the temporary meeting of the board of directors of the Company discussed and approved the relevant revision matters concerning non-public issuance of shares, the Company supplemented and improved the foresaid plan according to the relevant revision matters, and prepared the Non-public Offering Plan of the Company for 2020 (Revision Version), which was discussed and approved in the second temporary meeting of shareholders in 2020. The application of the Company about non-public offering in 2020 was reviewed and approved by the Issuance Examination Commission of China Securities Regulatory Commission and the Company received the written approval document from China Securities Regulatory Commission. Now the Company is actively carrying out relevant work on non-public offering.

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 Parties, Failed to Fulfill on Time during the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

IV Securities Investments

1. Securities Investments

Applicable Not applicable

Unit: RMB

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement model	Beginning carrying value	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes recorded into equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in the Reporting Period	Ending carrying value	Accounting item	Capital resources
Domestic/foreign stock	600166	Foton Motor	41,784,000.00	Fair value measurement	455,175,000.00	0.00	459,468,350.00	0.00	0.00	0.00	582,335,000.00	Other equity instrument investment	Self-owned funds
Domestic/foreign stock	600919	Bank of Jiangsu	42,786,000.00	Fair value measurement	127,764,000.00	0.00	92,320,200.00	0.00	0.00	0.00	151,398,000.00	Other equity instrument	Self-owned funds

												investments	
Domestic/foreign stock	300912	Kailong High Technology	20,001,268.00	Fair value measurement	38,282,105.00	664,026.00	0.00	0.00	0.00	664,026.00	38,946,131.00	Other non-current financial assets	Self-owned funds
Other securities investments held at the end of the Reporting Period			0.00	--	0.00						0.00	--	--
Total			104,571,268.00	--	621,221,105.00	664,026.00	551,788,550.00	0.00	0.00	664,026.00	772,679,131.00	--	--
Disclosure date of announcement on Board's consent for securities investment													
Disclosure date of announcement on shareholders' meeting's consent for securities investment (if any)													

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 Operating Performance Forecast for January-June 2021

Warning of a forecast loss on or a forecast significant year-on-year change in the accumulative net profit from the

beginning of the year to the end of the next reporting period, 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

Specific type	Capital resources	Amount incurred	Undue balance	Overdue amount
Broker financial products	Self-owned funds	730	1,130	0
Total		730	1,130	0

Particulars of entrusted cash management with single significant amount or low security, bad liquidity, and no capital preservation

Applicable Not applicable

Whether there is the case where the principal cannot be recovered at maturity or other case which may cause impairment for entrusted asset management

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 visit	Place of visit	Way of visit	Type of visitor	Visitor	Contents and materials provided	Index to main inquiry information
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2021-3-30	EasyIR	Other	Individual	Individual investor	Operation and dividend of the Company	EasyIR
2021-3-12	EasyIR	Other	Individual	Individual investor	Progress on non-public offering of shares by the Company	EasyIR
2021-3-5	EasyIR	Other	Individual	Individual investor	Fittings of agricultural machinery products of the Company	EasyIR
2021-3-5	EasyIR	Other	Individual	Individual investor	Agricultural machinery products of the Company	EasyIR
2021-3-4	EasyIR	Other	Individual	Individual investor	The Company's layout in the new energy industry	EasyIR
2021-3-2	EasyIR	Other	Individual	Individual investor	The Company's layout in the new energy industry	EasyIR
2021-3-1	EasyIR	Other	Individual	Individual investor	The Company's measures actively responding to national rural revitalization	EasyIR
2021-2-25	EasyIR	Other	Individual	Individual investor	Remuneration and bonus of employees of the Company	EasyIR
2021-2-24	EasyIR	Other	Individual	Individual investor	Development suggestions	EasyIR
2021-2-22	EasyIR	Other	Individual	Individual investor	Investment suggestions	EasyIR
2021-2-22	EasyIR	Other	Individual	Individual investor	Progress on non-public offering of shares by the Company	EasyIR
2021-2-22	EasyIR	Other	Individual	Individual investor	Influence of policies on products of the Company	EasyIR
2021-2-22	EasyIR	Other	Individual	Individual investor	Profit of the Company in 2020	EasyIR
2021-2-21	EasyIR	Other	Individual	Individual investor	Influence of policies on the Company	EasyIR
2021-2-21	EasyIR	Other	Individual	Individual investor	Sales volume of agricultural machinery of the Company	EasyIR
2021-2-21	EasyIR	Other	Individual	Individual investor	Sales volume of diesel engines and related generator sets of the Company	EasyIR
2021-2-19	EasyIR	Other	Individual	Individual investor	Number of shareholders of the Company	EasyIR
2021-2-18	EasyIR	Other	Individual	Individual investor	Production situation of lithium battery baffle project	EasyIR

2021-2-18	EasyIR	Other	Individual	Individual investor	External cooperation of the Company	EasyIR
2021-2-3	EasyIR	Other	Individual	Individual investor	Suggestions on external cooperative development	EasyIR
2021-2-3	EasyIR	Other	Individual	Individual investor	Remuneration and bonus of employees of the Company	EasyIR
2021-2-3	EasyIR	Other	Individual	Individual investor	Information disclosure of the Company	EasyIR
2021-2-2	EasyIR	Other	Individual	Individual investor	Business scope	EasyIR
2021-1-25	EasyIR	Other	Individual	Individual investor	Development suggestions	EasyIR
2021-1-25	EasyIR	Other	Individual	Individual investor	The Company's layout in the new energy industry	EasyIR
2021-1-22	EasyIR	Other	Individual	Individual investor	Customer situation of lithium battery baffle project	EasyIR
2021-1-22	EasyIR	Other	Individual	Individual investor	Number of employees	EasyIR
2021-1-18	EasyIR	Other	Individual	Individual investor	Operation and profit of lithium battery baffle project	EasyIR
2021-1-6	EasyIR	Other	Individual	Individual investor	External cooperation of the Company	EasyIR
2021-1-5	EasyIR	Other	Individual	Individual investor	Phase II construction of lithium battery baffle project	EasyIR
2021-1-5	EasyIR	Other	Individual	Individual investor	Investment in equity of Kailong High Technology	EasyIR
2021-1-5	EasyIR	Other	Individual	Individual investor	The Company's layout in the new energy industry	EasyIR
2021-1-5	EasyIR	Other	Individual	Individual investor	Phase II construction of lithium battery baffle project	EasyIR

Part IV Financial Statements

I Financial Statements

1. Consolidated Balance Sheet

Prepared by Changchai Company, Limited

31 March 2021

Unit: RMB

Item	31 March 2021	31 December 2020
Current assets:		
Monetary assets	549,889,360.21	760,728,222.85
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	11,300,000.00	11,500,272.00
Derivative financial assets		
Notes receivable	475,807,269.35	600,140,938.05
Accounts receivable	778,492,436.03	397,154,016.49
Accounts receivable financing		
Prepayments	10,503,095.29	9,357,840.75
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	6,245,758.02	6,212,062.80
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	534,218,373.72	606,680,340.55
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	18,626,888.37	27,299,362.72
Total current assets	2,385,083,180.99	2,419,073,056.21

Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments		
Investments in other equity instruments	835,931,950.87	685,137,950.87
Other non-current financial assets	125,697,620.25	98,732,938.63
Investment property	45,687,240.83	46,239,326.03
Fixed assets	434,629,415.15	454,181,555.68
Construction in progress	122,606,659.23	66,502,432.41
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	157,935,906.74	158,870,631.71
Development costs		
Goodwill		
Long-term prepaid expense	13,693.20	13,693.20
Deferred income tax assets	4,231,873.15	4,231,873.15
Other non-current assets	22,151,095.06	19,971,006.56
Total non-current assets	1,748,885,454.48	1,533,881,408.24
Total assets	4,133,968,635.47	3,952,954,464.45
Current liabilities:		
Short-term borrowings	22,000,000.00	22,000,000.00
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	648,619,500.00	595,346,000.00
Accounts payable	583,254,363.62	612,757,392.46
Advances from customers	656,506.66	661,612.17
Contract liabilities	37,152,261.33	35,944,517.15
Financial assets sold under repurchase agreements		

Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	29,058,330.23	50,127,161.47
Taxes payable	4,838,616.10	2,869,485.41
Other payables	196,883,165.38	197,545,076.08
Including: Interest payable		
Dividends payable	3,891,433.83	3,891,433.83
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities		
Other current liabilities	5,435,553.31	5,233,947.12
Total current liabilities	1,527,898,296.63	1,522,485,191.86
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	56,949,737.60	56,949,737.60
Deferred income tax liabilities	103,436,664.70	80,671,598.82
Other non-current liabilities		
Total non-current liabilities	160,386,402.30	137,621,336.42
Total liabilities	1,688,284,698.93	1,660,106,528.28
Owners' equity:		
Share capital	561,374,326.00	561,374,326.00

Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	164,328,665.43	164,328,665.43
Less: Treasury stock		
Other comprehensive income	553,657,658.24	425,482,758.24
Specific reserve	18,812,986.55	18,812,986.55
Surplus reserves	325,451,531.14	325,451,531.14
General reserve		
Retained earnings	802,470,334.49	777,899,079.66
Total equity attributable to owners of the Company as the parent	2,426,095,501.85	2,273,349,347.02
Non-controlling interests	19,588,434.69	19,498,589.15
Total owners' equity	2,445,683,936.54	2,292,847,936.17
Total liabilities and owners' equity	4,133,968,635.47	3,952,954,464.45

Legal representative: Shi Xinkun

General manager: Zhang Xin

Head of the Company's financial department: Jiang He

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	31 March 2021	31 December 2020
Current assets:		
Monetary assets	476,010,891.53	682,322,659.41
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	472,437,869.35	581,230,938.05
Accounts receivable	695,794,996.90	317,828,161.25
Accounts receivable financing		
Prepayments	5,954,920.63	6,592,567.26
Other receivables	23,791,683.48	24,327,355.36
Including: Interest receivable		
Dividends receivable		
Inventories	406,485,554.89	475,688,026.57
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	2,457,547.16	17,521,203.46
Total current assets	2,082,933,463.94	2,105,510,911.36
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	435,752,730.03	375,752,730.03
Investments in other equity instruments	835,931,950.87	685,137,950.87
Other non-current financial assets	78,750,000.00	52,500,000.00
Investment property	45,687,240.83	46,239,326.03
Fixed assets	352,115,121.32	369,194,314.03
Construction in progress	28,110,977.45	26,195,189.06
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	67,287,829.16	68,088,982.37

Development costs		
Goodwill		
Long-term prepaid expense		
Deferred income tax assets	4,179,544.86	4,179,544.86
Other non-current assets		
Total non-current assets	1,847,815,394.52	1,627,288,037.25
Total assets	3,930,748,858.46	3,732,798,948.61
Current liabilities:		
Short-term borrowings	5,000,000.00	5,000,000.00
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	640,879,000.00	589,534,000.00
Accounts payable	547,382,988.34	550,360,564.07
Advances from customers	656,506.66	661,612.17
Contract liabilities	32,345,200.24	32,344,514.86
Employee benefits payable	22,329,962.72	42,455,158.67
Taxes payable	1,070,869.93	1,099,861.63
Other payables	180,536,752.53	184,513,545.20
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	2,425,890.02	2,426,575.40
Total current liabilities	1,432,627,170.44	1,408,395,832.00
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		

Deferred income	56,949,737.60	56,949,737.60
Deferred income tax liabilities	98,079,292.63	75,460,192.63
Other non-current liabilities		
Total non-current liabilities	155,029,030.23	132,409,930.23
Total liabilities	1,587,656,200.67	1,540,805,762.23
Owners' equity:		
Share capital	561,374,326.00	561,374,326.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	183,071,147.70	183,071,147.70
Less: Treasury stock		
Other comprehensive income	553,657,658.24	425,482,758.24
Specific reserve	18,812,986.55	18,812,986.55
Surplus reserves	325,451,531.14	325,451,531.14
Retained earnings	700,725,008.16	677,800,436.75
Total owners' equity	2,343,092,657.79	2,191,993,186.38
Total liabilities and owners' equity	3,930,748,858.46	3,732,798,948.61

Legal representative: Shi Xinkun

General manager: Zhang Xin

Head of the Company's financial department: Jiang He

3. Consolidated Income Statement

Unit: RMB

Item	Q1 2021	Q1 2020
1. Revenue	774,218,489.69	538,139,070.21
Including: Operating revenue	774,218,489.69	538,139,070.21
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	737,847,784.06	531,160,471.23
Including: Cost of sales	658,879,419.02	468,694,592.90
Interest expense		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	3,065,396.25	3,081,767.05
Selling expense	34,871,649.31	27,568,943.45
Administrative expense	22,926,455.83	17,172,240.77
R&D expense	19,118,309.57	15,470,032.84
Finance costs	-1,013,445.92	-827,105.78
Including: Interest expense	778,030.13	272,391.02
Interest income	1,419,334.80	1,559,568.83
Add: Other income	299,348.30	805,876.00
Return on investment (“-” for loss)	187,090.06	51,031.10
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)	664,026.00	

Credit impairment loss (“-” for loss)	-8,105,470.30	-5,148,895.63
Asset impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)	6,800.10	-29,514.41
3. Operating profit (“-” for loss)	29,422,499.79	2,657,096.04
Add: Non-operating income	656,281.69	131,146.74
Less: Non-operating expense	599,437.10	368,721.44
4. Profit before tax (“-” for loss)	29,479,344.38	2,419,521.34
Less: Income tax expense	4,818,244.01	1,008,368.05
5. Net profit (“-” for net loss)	24,661,100.37	1,411,153.29
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	24,661,100.37	1,411,153.29
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	24,571,254.83	1,404,292.62
5.2.2 Net profit attributable to non-controlling interests	89,845.54	6,860.67
6. Other comprehensive income, net of tax	128,174,900.00	-40,987,000.00
Attributable to owners of the Company as the parent	128,174,900.00	-40,987,000.00
6.1 Items that will not be reclassified to profit or loss	128,174,900.00	-40,987,000.00
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	128,174,900.00	-40,987,000.00
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 investments in other debt obligations		
6.2.3 Other comprehensive income arising from the		

reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
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	152,836,000.37	-39,575,846.71
Attributable to owners of the Company as the parent	152,746,154.83	-39,582,707.38
Attributable to non-controlling interests	89,845.54	6,860.67
8. Earnings per share		
8.1 Basic earnings per share	0.0438	0.0025
8.2 Diluted earnings per share	0.0438	0.0025

Legal representative: Shi Xinkun

General manager: Zhang Xin

Head of the Company's financial department: Jiang He

4. Income Statement of the Company as the Parent

Unit: RMB

Item	Q1 2021	Q1 2020
1. Operating revenue	731,331,198.20	503,170,117.52
Less: Cost of sales	627,530,021.12	442,502,103.14
Taxes and surcharges	2,153,521.99	2,157,929.61
Selling expense	31,562,894.27	25,275,600.91
Administrative expense	17,958,617.76	12,115,923.01
R&D expense	18,500,648.53	15,078,747.40
Finance costs	-1,526,696.66	-1,041,410.01
Including: Interest expense	560,514.78	54,875.67
Interest income	1,338,682.16	1,479,923.86
Add: Other income	224,000.00	300,000.00
Return on investment (“-” for loss)		
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)	-8,105,470.30	-4,870,810.22
Asset impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)	6,800.10	-29,514.41
2. Operating profit (“-” for loss)	27,277,520.99	2,480,898.83
Add: Non-operating income	118,709.98	14,530.00
Less: Non-operating expense	300,313.27	1,380.00
3. Profit before tax (“-” for loss)	27,095,917.70	2,494,048.83
Less: Income tax expense	4,171,346.29	374,107.32
4. Net profit (“-” for net loss)	22,924,571.41	2,119,941.51
4.1 Net profit from continuing operations (“-” for net loss)	22,924,571.41	2,119,941.51
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	128,174,900.00	-40,987,000.00
5.1 Items that will not be reclassified to profit or loss	128,174,900.00	-40,987,000.00

5.1.1 Changes caused by remeasurements on defined benefit pension 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	128,174,900.00	-40,987,000.00
5.1.4 Changes in the fair value of the company's credit risks		
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 investments in other debt obligations		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Allowance for credit impairments in investments in other debt obligations		
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	151,099,471.41	-38,867,058.49
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 Company's financial department: Jiang He

5. Consolidated Cash Flow Statement

Unit: RMB

Item	Q1 2021	Q1 2020
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	489,688,618.36	395,541,506.92
Net increase in customer deposits and interbank deposits		
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, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax rebates	10,464,646.99	8,340,486.99
Cash generated from other operating activities	2,794,943.41	3,091,386.85
Subtotal of cash generated from operating activities	502,948,208.76	406,973,380.76
Payments for commodities and services	549,122,439.03	282,175,437.06
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	103,795,716.50	77,363,224.39
Taxes paid	12,047,444.92	7,741,784.34
Cash used in other operating activities	22,467,000.76	20,703,001.31
Subtotal of cash used in operating activities	687,432,601.21	387,983,447.10
Net cash generated from/used in operating activities	-184,484,392.45	18,989,933.66
2. Cash flows from investing activities:		
Proceeds from disinvestment	7,300,000.00	4,550,000.00
Return on investment	107,580.06	28,074.94

Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	43,495.14	46,500.00
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	7,451,075.20	4,624,574.94
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	64,189,330.18	25,124,094.04
Payments for investments	33,550,000.00	6,100,000.00
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	97,739,330.18	32,154,394.04
Net cash generated from/used in investing activities	-90,288,254.98	-27,529,819.10
3. Cash flows from financing activities:		
Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings obtained	7,000,000.00	
Cash generated from other financing activities	1,391,000.00	
Subtotal of cash generated from financing activities	8,391,000.00	
Repayments of borrowings	7,000,000.00	
Payments for interest and dividends	289,328.14	272,391.02
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities		
Subtotal of cash used in financing activities	7,289,328.14	272,391.02
Net cash generated from/used in financing activities	1,101,671.86	-272,391.02
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-273,670,975.57	-8,812,276.46
Add: Cash and cash equivalents, beginning of the period	629,939,540.50	544,584,744.17
6. Cash and cash equivalents, end of the period	356,268,564.93	535,772,467.71

Legal representative: Shi Xinkun

General manager: Zhang Xin

Head of the Company's financial department: Jiang He

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	Q1 2021	Q1 2020
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	448,318,646.97	354,637,979.41
Tax rebates	8,868,604.58	5,440,557.38
Cash generated from other operating activities	2,152,635.69	2,354,261.65
Subtotal of cash generated from operating activities	459,339,887.24	362,432,798.44
Payments for commodities and services	523,031,644.55	254,044,882.14
Cash paid to and for employees	91,529,134.39	65,955,095.38
Taxes paid	7,997,764.91	3,705,225.58
Cash used in other operating activities	18,996,860.83	16,543,652.69
Subtotal of cash used in operating activities	641,555,404.68	340,248,855.79
Net cash generated from/used in operating activities	-182,215,517.44	22,183,942.65
2. Cash flows from investing activities:		
Proceeds from disinvestment		
Return on investment		
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	43,495.14	46,500.00
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	43,495.14	46,500.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	1,958,483.50	6,656,932.63
Payments for investments	86,250,000.00	15,000,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	88,208,483.50	21,656,932.63
Net cash generated from/used in investing activities	-88,164,988.36	-21,610,432.63
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings obtained		
Cash generated from other financing activities	1,391,000.00	

Subtotal of cash generated from financing activities	1,391,000.00	
Repayments of borrowings		
Payments for interest and dividends	54,375.01	54,875.67
Cash used in other financing activities		
Subtotal of cash used in financing activities	54,375.01	54,875.67
Net cash generated from/used in financing activities	1,336,624.99	-54,875.67
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-269,043,880.81	518,634.35
Add: Cash and cash equivalents, beginning of the period	559,573,331.81	497,777,104.81
6. Cash and cash equivalents, end of the period	290,529,451.00	498,295,739.16

Legal representative: Shi Xinkun

General manager: Zhang Xin

Head of the Company's financial department: Jiang He

II Adjustments to the Financial Statements

1. Adjustments to the Financial Statements at the Beginning of the First Execution Year of the New Standards Governing Leases from 2021

Applicable Not applicable

2. Retrospective Restatement of Previous Comparative Data due to the First Execution of the New Standards Governing Leases from 2021

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.