

Zhejiang Dahua Technology Co., Ltd.

2020 Q1 Report



April 2020

This document is a translated version of the Chinese version 2020 Q1 Report (“2020 年第一季度报告”), and the published Q1 report in the Chinese version shall prevail.
The complete published Chinese 2020 Q1 Report may be obtained at <http://www.cninfo.com.cn>.

Section I Important Notice

The Board of Directors, the Board of Supervisors, directors, supervisors and senior management members of the Company hereby guarantee that the information presented in this quarterly report is authentic, accurate, complete and free of any false records, misleading statements or material omissions, and they will bear joint and several liabilities for such information.

All the directors attended the meeting of the Board of Directors for the deliberation of this quarterly report.

Fu Liquan, the Company's legal representative, Xu Qiaofen, person in charge of accounting, and Zhu Zhuling, person in charge of accounting institution (Accounting Officer) hereby declare and warrant that the financial statements in the quarterly report are authentic, accurate and complete.

Section II Basic Information about the Company

I. Key Accounting Data and Financial Indicators

Whether the Company needs performed retroactive adjustment or restatement of accounting data in prior years or not

Yes No

	The Current Reporting Period	The same period of last year	Increase/Decrease of the Current Reporting Period Compared with the Same Period of the Previous Year
Operating income (RMB)	3,501,562,275.80	4,347,918,104.26	-19.47%
Net profit attributable to shareholders of the listed Company (RMB)	317,916,471.89	316,343,906.02	0.50%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	300,408,224.85	286,016,593.97	5.03%
Net cash flow generated by operational activities (RMB)	-1,190,517,598.97	-1,728,487,212.91	31.12%
Basic Earnings per Share (RMB/Share)	0.11	0.11	0.00%
Diluted Earnings per Share (RMB/Share)	0.11	0.11	0.00%
Weighted Average ROE	2.01%	2.47%	-0.46%
	At The End Of The Current Reporting Period	At the End of the Previous Year	Increase/Decrease at the End of the Current Reporting Period Compared with the End of the Previous Year
Total assets (RMB)	28,388,447,811.63	29,564,650,212.93	-3.98%
Net assets attributable to shareholders of the listed company (RMB)	15,990,648,253.00	15,643,007,027.91	2.22%

Non-recurring Gains and Losses Items and Their Amounts

Applicable Not applicable

Unit: RMB

Item Name	The Amount from the Beginning of the Year to the End of the Current Reporting Period	Note
Profits or losses from disposal of non-current assets (including the write-off for the accrued impairment of assets)	-132,203.62	
The government subsidies included in the current profits and losses	28,990,645.44	

(excluding the government subsidies closely related to regular businesses of the Company and issued in the quota or quantity based on the national standards)		
Profits and losses resulting from the changes in fair value for holding trading financial assets, derivative financial assets and trading financial liabilities, derivative financial liabilities and investment income from disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and other obligatory right investment, excluding the effective hedging businesses related to the regular business operation of the Company	891,512.89	
Non-Operating Revenue and expenses other than the above	-4,601,595.85	
Other gains and losses items that fit the definition of non-recurring gains and losses	210,491.25	
Less: Impact of income tax	5,543,784.54	
Impact of minority equity (after tax)	2,306,818.53	
Total	17,508,247.04	--

For items defined as non-recurring gains and losses according to the No. 1 Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to Public - Non-recurring Gains and Losses, or non-recurring gains and losses items listed in the said document defined as recurring ones, please specify the reasons.

Applicable Not applicable

In the reporting period, the Company did not define any non-recurring gains and losses items defined and listed in the No. 1 Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to Public - Non-recurring Gains and Losses, as recurring gains and losses items.

II. The Total Number of Shareholder and the Holdings of the Top 10 Shareholders at the End of the Current Reporting Period

1. The number of common shareholders and preferred shareholders with resumed voting rights and the shareholdings of the top 10 shareholders

Unit: share

Total Number Of Common Shareholders At The End Of The Reporting Period	159,822	Total Number of Preferred Shareholders (If Any) Whose Voting Rights have been Recovered at the End of the Reporting Period	0			
The shareholdings of the top 10 shareholders						
Name of Shareholder	Nature Of Shareholder	Shareholding Percentage	Number of shares held	Number of shares held with limited sales conditions	Pledges or freezings	
					State Of Shares	Number

Fu Liquan	Domestic Natural Person	35.25%	1,060,331,880	811,561,410	Pledge	184,242,000
Zhu Jiangming	Domestic Natural Person	6.20%	186,461,490	139,846,117	Pledge	36,504,000
Hong Kong Securities Clearing Co. Ltd.	Overseas Legal Person	5.78%	173,957,038	0		
Chen Ailing	Domestic Natural Person	2.37%	71,262,813	53,447,110	Pledge	21,100,000
Wu Jun	Domestic Natural Person	2.30%	69,250,886	51,938,164		
China Securities Finance Co., Ltd.	Domestic Non-state-owned Legal Person	1.32%	39,611,241	0		
Central Huijin Asset Management Co., Ltd.	State-owned Legal Person	1.05%	31,448,750	0		
Shanghai Greenwoods Asset Management Co., Ltd. - Greenwoods Global Fund	Others	1.02%	30,811,881	0		
Fidelity Investments Management (Hong Kong) Limited - funds of customers	Overseas Legal Person	0.53%	16,090,193	0		
Haitong Securities Co., Ltd.	State-owned Legal Person	0.47%	14,223,577	0		

Shareholding list of top ten shareholders without limited sales condition

Name of Shareholder	Number of shares held without limited sales condition	Type of shares	
		Type of shares	Number
Fu Liquan	248,770,470	RMB common stock	248,770,470
Hong Kong Securities Clearing Co. Ltd.	173,957,038	RMB common stock	173,957,038
Zhu Jiangming	46,615,373	RMB common stock	46,615,373
China Securities Finance Co., Ltd.	39,611,241	RMB common stock	39,611,241
Central Huijin Asset Management Co., Ltd.	31,448,750	RMB common stock	31,448,750
Shanghai Greenwoods Asset Management Co., Ltd. - Greenwoods Global Fund	30,811,881	RMB common stock	30,811,881

Chen Ailing	17,815,703	RMB common stock	17,815,703
Wu Jun	17,312,722	RMB common stock	17,312,722
Fidelity Investments Management (Hong Kong) Limited - funds of customers	16,090,193	RMB common stock	16,090,193
Haitong Securities Co., Ltd.	14,223,577	RMB common stock	14,223,577
Description of the association relationship or concerted action of above-mentioned shareholders	Mr. Fu Liquan And Ms. Chen Ailing Are Husband And Wife. The Company Is Unaware Of Whether Other Shareholders Have Associated Relationship Or Are Persons Acting In Concert.		
Explanation On Top Ten Shareholders' Participation In Securities Margin Trading (If Any)	N/A		

Whether the Company's top ten common shareholders or top ten common shareholders without limited shares agree on any repurchase transaction in the reporting period

Yes No

None of the Company's top ten common shareholders or top ten common shareholders without limited shares agreed on repurchase in the reporting period.

2. The total number of the preferred shareholders and the shareholdings of the top 10 preferred shareholders

Applicable Not applicable

Section III Significant Events

I. The Changes in Major Financial Data and Financial Indicators in the Current Reporting Period and the Reasons

Applicable Not applicable

i. The changes of assets and liabilities and the reasons

1. The trading financial assets are increased by 100% compared with the end of the previous year, which is mainly caused by that the contracts for FX options are undue at the end of this period;
2. The contract assets are increased by 100% compared with the end of the previous year, which is mainly caused by the adjustments to statements due to the implementation of the new revenue recognition standard;
3. The non-current assets due within one year are increased by 35.49% compared with the end of the previous year, which is mainly caused by the increase of long-term receivables due within one year;
4. The other non-current financial assets are increased by 160.90% compared with the end of the previous year, which is mainly caused by the new external equity investments of this period;
5. The other non-current assets are increased by 45.71% compared with the end of the previous year, which is mainly caused by the increase of advances for long-assets in this period;
6. The short-term loans are increased by 242.67% compared with the end of the previous year, which is mainly caused by the increase of short-term loans from banks in this period;
7. The notes payable are decreased by 37.88% compared with the end of the previous year, which is mainly caused by the settlement of notes due;
8. The accounts received in advance decreased by 100% compared with the end of the previous year, which is mainly caused by the adjustments to statements due to the implementation of the new revenue recognition standard;
9. The contract liabilities are increased by 100% compared with the end of the previous year, which is mainly caused by the adjustments to statements due to the implementation of the new revenue recognition standard;
10. The employee remuneration payables are decreased by 66.97% compared with the end of the previous year, which is mainly caused by the distribution of year-end bonuses;
11. The other current liabilities are increased by 34.87% compared with the end of the previous year, which is mainly caused by the increase of long-term receivables due within one year and the increase of taxes for items to be written off;
12. The long-term loans are increased by 260.78% compared with the end of the previous year, which is mainly caused by the increase of long-term loans from banks;
13. The other comprehensive income is increased by 81.25% compared with the end of the previous year, which is mainly caused by the increase of exchange differences from the translation of foreign currency statements.

ii. The changes of items in the income statement and the reasons

1. The operating costs are decreased by 34.64% compared with the same period of the previous year, because on one hand, the Company enhanced the cost reduction management and optimized the product structure, and on the other hand, the Company's income has a year-on-year decrease, and the costs decrease accordingly;
2. The financial expenses are decreased by 61.76% compared with the same period of the previous year, which is mainly caused by the decrease in exchange loss compared with the same period of the previous year;
3. The returns on investments are decreased by 59.76% compared with the same period of the previous year, which is mainly caused by the increase of confirmed investment loss of associates compared with the same period of the previous year;
4. The gains and losses from changes in fair value are decreased by 100% compared with the same period of the previous year, which is

mainly caused by the decrease of changes in the fair value of financial derivatives in this period;

5. The credit impairment loss is decreased by 84.27% compared with the same period of the previous year, which is mainly caused by the decrease of long-term receivables compared with the beginning of this year and the decrease of corresponding expected credit loss;

6. The non-operating income is decreased by 71.17% compared with the same period of the previous year, which is mainly caused by the decrease of government subsidies received in this period compared with the same period of the previous year;

7. The non-operating expenses are increased by 1192.22% compared with the same period of the previous year, which is mainly caused by the increase of public welfare donations in the fight against COVID-19.

iii. The changes of items in the cash flow statement and the reasons

1. The net amount of cash flow generated by business activities are increased by 31.12% compared with the same period of the previous year, which is mainly caused by the increase of payment collection arising from the enhanced management of receivables;

2. The net amount of cash flow generated by investment activities is decreased by 88.73% compared with the same period of the previous year, which is mainly caused by the increase of external equity investments and investments in financial derivatives compared with the same period of the previous year.

II. Progress of Significant Events and the Analysis of Its Influence and Solutions

√ Applicable □ Not applicable

1. On May 16, 2017, the Company reviewed and approved the *Phase III Employee Stock Ownership Plan (ESOP) of Zhejiang Dahua Technology Co., Ltd. (Draft)* and its summary in the 2016 annual stockholders' meeting, and decided to implement the Phase III ESOP. On 1 June 2017, the Company's Phase III Employee Stock Ownership Plan completed the purchase of the shares through the Caitong Securities Asset Management Dahua No. 3 Directed Asset Management Plan, with an average purchase price of RMB16.83 per share and a purchase volume of 47,000,000 shares.

On November 12, 2018, the Company's 18th meeting of the 6th Board of Directors reviewed and approved "the Suggestive Proposal on Extension of the Impending Expiration of the Company's Third Employee Stock Ownership Plan Duration". The Board of Directors agreed to extend the Company's third employee stock ownership plan for one year according to the voting results of the shareholders' meeting. That is, the duration was extended for one additional year on the basis of the original termination date, until May 15, 2020.

As of January 21, 2020, the Company's shares held by CAITONG Securities in accordance with Dahua No. 3 Directional Asset Management Plan have all been sold out, and the Phase III ESOP has been implemented and terminated.

2. On January 16, 2020, the Company reviewed and approved the *Proposal on Buy-Back and Cancellation of Some Granted but Unlocked Restricted Stocks* in the first extraordinary general meeting of 2020, agreeing to buy back and cancel 437,100 shares of unlocked restricted stock that have been granted to 16 beneficiaries who have left the Company (wherein 427,100 shares that were granted first will be bought back at the price of RMB 8.17/share; the reserved 10,000 shares will be bought back at the price of RMB 8.75/share) and reduce the registered capital accordingly. The above-mentioned buy-back has been completed on April 27, 2020.

3. On February 3, 2020, the Company reviewed and approved the *Proposal on Joint Investment with Related Persons and Related Party Transactions* in the 30th meeting of the 6th Board of Directors. The Company and its related legal persons Ningbo Huagu Enterprise Management Partnership (Limited Partnership) and Ningbo Hualing Investment Management Partnership (Limited Partnership) jointly contributed RMB 50 million to set up Zhejiang Dahua Storage Technology Co., Ltd. Among them, Dahua contributed RMB 25.50 million with its own funds, accounting for 51% of the registered capital. In February 2020, the company was incorporated.

4. On February 24, 2020, the company reviewed and approved the *Proposal on Joint Investment with Related Parties to Establish a Holding Subsidiary and Related Party Transactions* in the 31st meeting of the 6th Board of Directors. The Company and its related legal persons Zhejiang Leapmotor Technology Co., Ltd., Ningbo Hualing Investment Management Partnership (Limited Partnership) and Ningbo Huaqi Enterprise Management Partnership (Limited Partnership) jointly contributed RMB 150 million to set up Zhejiang Dahua Automotive Technology Co., Ltd. Among them, Dahua contributed RMB 76.50 million with its own funds, accounting for 51% of the registered capital. In March 2020, the company was incorporated.

5. On February 24, 2020, the Company reviewed and approved the *Proposal on Investment in Establishing a Joint Venture Company* in the 31st meeting of the 6th Board of Directors. The Company and Tianjin Rongyu Enterprise Management Partnership (Limited Partnership), Tianjin Qushi Enterprise Management Consulting Partnership (Limited Partnership), and Huzhou Xubo Smart City Technology Partnership (Limited Partnership) signed a *Joint Venture Agreement* to jointly setting up a joint venture temporarily named as China Ruixin Digital Technology Co., Ltd., with a registered capital of RMB 800 million, and the Company's shareholding accounted for 20%. In March 2020, the company was incorporated. The name approved by the industrial and commercial authority is China Ruixin Digital Technology Co., Ltd.

6. On April 2, 2020, the Company reviewed and approved the *Proposal on Buy-Back and Cancellation of Some Granted but Unlocked Restricted Stocks* in the 33rd meeting of the 6th Board of Directors and the 19th meeting of the 6th Board of Supervisors, agreeing to buy back and cancel 1,810,600 shares of unlocked restricted stock that have been granted to 36 beneficiaries who have left the Company (w herein 1,787,600 shares that were granted firstw ill be bought back at the price of RMB 8.17/share; the reserved 23,000 shares will be bought back at the price of RMB 8.75/share) and reduce the registered capital accordingly. The aforesaid matters shall be reviewed in the shareholders' meeting.

7. On April 2, 2020, the Company reviewed and approved the *Proposal on the Satisfaction of Unlocking Conditions for the First Unlocking Period of the First Grant of the 2018 Restricted Stock Incentive Plan* in the 33rd meeting of the 6th Board of Directors and the 19th meeting of the 6th Board of Supervisors. The unlocking conditions for the first unlocking period of the first grant of the incentive plan were met so as to agree to unlock 36,931,560 shares of restricted stock which have been granted to 2901 beneficiaries. The unlocked shares can be circulated in the market since April 16, 2020.

Overview of the significant events	Date of Disclosure	Indexes for the inquiry of websites disclosing the provisional reports
The Announcement on the Resolutions made on the 2016 Annual General Meeting of Shareholders	May 17, 2017	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Accomplishment of the Purchase for the Phase III ESOP	June 2, 2017	Juchao Information Website http://www.cninfo.com.cn/
The Indicative Announcement on the Expiration of the Phase III ESOP and the Announcement on the Extension	November 13, 2018	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Sell-out of Shares and the Termination of the Phase III ESOP	January 22, 2020	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Resolution of the First Extraordinary General Meeting of 2020	January 17, 2020	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Accomplishment of the Repurchase and Cancellation of Part of Restricted Shares	April 28, 2020	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Joint Investment with Related Persons and the Related Party Transactions	February 4, 2020	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Joint Investment with Related Parties in Setting Up A Shareholding Subsidiary and the Related Party Transactions, the Announcement on Investing in and Setting up A Joint Venture	February 24, 2020	Juchao Information Website http://www.cninfo.com.cn/
The Announcement on the Buy-Back and Cancellation of Some Granted But Unlocked Restricted Stocks, the Announcement on the Satisfaction of Unlocking Conditions for the First Unlocking Period of the First Grant of the 2018 Restricted Stock Incentive Plan	April 3, 2020	Juchao Information Website http://www.cninfo.com.cn/

The Indicative Announcement on the Listing and Circulation of Shares Unlocked during the First Unlocking Period of the First Grant of the 2018 Restricted Stock Incentive Plan	April 14, 2020	Juchao Information Website http://www.cninfo.com.cn/
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The progress on share repurchases

Applicable Not applicable

On April 25, 2019, the Company reviewed and approved the *Proposal on the Scheme for the Buy-back of Shares* in the 21st meeting of the 6th Board of Directors, planning to use the raised fund to buy back its shares through centralized competitive bidding. The total amount of fund for the buy-back shall be not less than RMB 200 million (inclusive) and not more than RMB 400 million (inclusive). The price of the repurchase shall not exceed RMB 25.37 per share (inclusive). Calculated according to the purchase price and the upper limit for the repurchase, it's estimated to buy back 15,766,653 shares. The repurchased shares will make up 0.53% of the current total share capital of the Company. The specific amount of repurchased shares and the proportion in the total share capital of the Company shall be subject to the actually repurchased number of shares and the actual proportion when the period of repurchase expires. The period for the implementation of repurchase shall be 12 months from the day the Board of Directors reviews and approves the repurchase scheme.

On June 14, 2019, the Company disclosed the Announcement on the First Buy-back of the Company's Shares (Announcement No.: 2019-039). During the period of buy-back, the Company published an *Announcement on the Progress of the Buy-back of Shares* within the first 3 trading days of each month (the announcements are respectively numbered as: 2019-041, 2019-046, 2019-055, 2019-063, 2019-073, 2019-078, 2019-093, 2020-008, 2020-017, and 2020-031). For the details, see the relevant announcements disclosed by the Company on the designated media for the disclosure of information--Securities Times and Juchao Information Website (<http://www.cninfo.com.cn>).

On April 25, 2020, the Company disclosed the *Announcement on the Implementation of the Buy-back of Shares and the Changes in Shares* (Announcement No.: 2020-036). As at April 24, 2020, the Company bought back 13,391,480 shares with its special securities account for the buy-back of shares through centralized competitive bidding, accounting for 0.4452% of the total capital then. The highest transaction price was RMB 17.88/share and the lowest transaction price was RMB 12.90/share. The total transaction amount was RMB 203,499,400.44 (excluding the transaction fees). Till now, the period for the buy-back of shares has expired and the buy-back has been completed.

The progress on reduction of re-purchase shares by means of centralized bidding

Applicable Not applicable

III. Commitments made by the Company's actual controllers, shareholders, related parties, purchasers and purchasing companies having not been fulfilled during the reporting period

Applicable Not applicable

During this reporting period, there is no commitment made by the Company's actual controllers, shareholders, related parties, purchasers and purchasing companies having not been fulfilled during the reporting period.

IV. Estimation of Business Performance in January to June 2020

Applicable Not applicable

V. Securities Investment

Applicable Not applicable

In this reporting period, the Company has no securities investment.

VI. Entrusted Financing

Applicable Not applicable

No such case as entrusted financing during the reporting period.

VII. Derivatives Investment

Applicable Not applicable

Unit: ten thousand RMB

Name of derivatives investment operator	Relation	Whether it is a related party transaction	Type of derivatives investment	Initial investment amount of the derivatives investment	Start date	Termination date	Investment amount at the beginning of this period	Amount purchased during the reporting period	Amount sold during the reporting period	Amount of provision for impairment (if any)	Investment amount at the end of this period	The proportion of the investment amount in the net assets of the Company at the end of this reporting period	Actual gains and losses in the reporting period
Bank	With no related party relationship	No	Options		March 18, 2020	April 1, 2020		14,170.2	7,085.1	0	7,085.1	0.44%	-10.06
Bank	With no related party relationship	No	Forwards		February 28, 2020	March 30, 2020		29,012.65	29,012.65				43.95
Total					--	--		43,182.85	36,097.75		7,085.1	0.44%	33.89
Sources of funds of derivatives investment				Equity Fund									
Lawsuits involved (if appropriate)				N/A									
The disclosure date of the announcement of the Board of				March 19, 2019									

Directors on the approval of the derivatives investment (if any)	
The disclosure date of the announcement of the Board of Shareholders on the approval of the derivatives investment (if any)	April 10, 2019
Risk analysis on the holding of derivatives in the reporting period and the control measures (including but not limited to market risks, liquidity risks, credit risks, operational risks, legal risks, etc.)	For the details of the risk analysis and the control measures, see the <i>Announcement on Conducting FX Hedging Transactions</i> disclosed by the Company on March 19, 2019 (Announcement No.: 2019-010).
The specific way and the relevant assumptions and parameters for the analysis of the fair value of the derivatives shall be disclosed for the changes in the market value or fair value of the invested derivatives in the reporting period.	For the accounting of the fair value of derivatives, based on the contracts signed by the Company and banks on future foreign exchange settlement and sale businesses which are not due, the Company determines the changes in the fair value of undelivered foreign exchange settlement and sale business according to the quotation of forward exchange rate given by financial institutions according to the remaining time of delivery.
Note on whether there are material changes in the accounting policies and specific accounting principles of derivatives in the reporting period compared with the last reporting period	N/A
Special opinions of independent directors on the Company's investment in derivatives and the risk control	N/A

VIII. Illegal External Guarantees

Applicable Not applicable

No illegal external guarantees during the reporting period.

IX. Non-operational Capital Occupation over Listed Companies by Controlling Shareholders and Their Related Parties

Applicable Not applicable

During the reporting period, there is no non-operational capital occupation over listed companies by controlling shareholders and their related parties.

X. Registration Form for Reception of Research, Communication, Interviews and Other Activities During the Reporting Period

Applicable Not applicable

Reception Time	Reception Method	Reception target type	Index of the basic information of research
January 7, 2020	Field Investigation	Institution	For more information, please see the investor relations activity list in http://www.cninfo.com.cn
January 16, 2020	Field Investigation	Institution, individual	For more information, please see the investor relations activity list in http://www.cninfo.com.cn
February 28, 2020	Telephone communication	Institution, individual	For more information, please see the investor relations activity list in http://www.cninfo.com.cn
April 3, 2020	Telephone communication	Institution, individual	For more information, please see the investor relations activity list in http://www.cninfo.com.cn

Section IV Financial Statements

I. Financial Statements

1. Consolidated Balance Sheet

Prepared by: Zhejiang Dahua Technology Co., Ltd.

March 31, 2020

Unit: RMB

Item Name	March 31, 2020	December 31, 2019
Current Assets:		
Cash and Bank Balances	2,928,745,111.33	3,084,428,970.43
Deposit Reservation for Balance		
Loans to Banks and Other Financial Institutions		
Trading Financial Assets	70,851,000.00	
Derivative Financial Assets		
Notes receivable		
Accounts receivable	11,494,669,264.97	13,241,196,380.65
Receivables Financing	797,642,695.83	1,086,017,357.90
Prepayments	126,007,150.21	128,182,099.47
Premium Receivable		
Reinsurance Accounts Receivable		
Reinsurance Contract Reserves Receivable		
Other Receivables	365,087,821.35	408,776,610.17
Including: interest receivable		
Dividends Receivable		
Buying Back the Sale of Financial Assets		
Inventory	4,904,697,984.82	3,839,810,704.33
Contract Assets	926,962.43	
Holding for-sale assets		
Non-current Assets Due within 1 Year	854,562,343.96	630,717,329.58

Other Current Assets	428,523,592.20	556,311,770.08
Subtotal of Current Assets	21,971,713,927.10	22,975,441,222.61
Non-current Assets:		
Granting of loans and advances		
Investment in Creditor's Rights		
Investment in Other Creditor's Rights		
Long-term Receivables	2,239,471,102.21	2,568,442,030.19
Long-term Equity Investment	473,961,838.51	490,731,236.85
Investment in Other Equity Instruments		
Other Non-current Financial Assets	175,360,489.43	67,213,489.43
Investment Property	331,780,257.25	336,181,589.99
Fixed Assets	1,489,479,407.25	1,522,463,368.83
Projects under Construction	503,309,411.64	435,757,406.90
Productive Biological Assets		
Oil and gas assets		
Right-of-use Assets		
Intangible Assets	417,114,753.52	411,758,785.31
Development Expenditure		
Goodwill	42,685,490.30	42,685,490.30
Long-term Prepaid Expenses	35,743,407.43	37,311,198.19
Deferred Income Tax Assets	695,287,837.37	668,058,558.83
Other Non-current Assets	12,539,889.62	8,605,835.50
Subtotal of Non-current Assets	6,416,733,884.53	6,589,208,990.32
Total Assets	28,388,447,811.63	29,564,650,212.93
Current Liabilities:		
Short-term loan	1,371,771,239.69	400,323,888.90
Borrowings from the Central Bank		
Borrowings from Banks and Other Financial Institutions		
Transactional financial liabilities		
Derivative Financial Liabilities		
Notes Payable	2,365,039,125.39	3,807,292,795.07
Accounts Payable	3,860,913,274.19	4,290,253,501.81

Received Prepayments		375,521,795.82
Contract liabilities	549,274,981.56	
Financial Assets Sold for Repurchase		
Deposit Taking and Interbank Deposit		
Receiving from Vicariously Traded Securities		
Receiving from Vicariously Sold Securities		
Payroll payable	522,636,947.62	1,582,368,359.30
Tax Payable	630,887,874.86	813,357,471.37
Other Payables	1,219,460,913.10	1,163,915,713.24
Including: interest payable		
Dividends Payable	9,411,768.61	9,454,479.13
Service Charge and Commission Payable		
Reinsurance Accounts Payable		
Holding for-sale liabilities		
Non-current Liabilities Due within 1 Year	27,305,494.75	26,993,755.57
Other Current Liabilities	96,074,272.19	71,233,107.93
Subtotal of Current Liabilities	10,643,364,123.35	12,531,260,389.01
Non-current Liabilities:		
Insurance Contract Reserves		
Long-term loan	553,794,444.44	153,500,000.00
Bonds Payable		
Including: Preferred Stocks		
Perpetual Bonds		
Lease Liabilities		
Long-term Payables		
Long-term payroll payable		
Expected Liabilities	315,757,937.26	303,670,887.50
Deferred Income	114,117,081.56	117,210,761.34
Deferred Income Tax Liabilities	50,167,133.57	50,565,095.68
Other Non-current Liabilities	393,622,647.32	432,275,367.74

Subtotal of Non-current Liabilities	1,427,459,244.15	1,057,222,112.26
Total Liabilities	12,070,823,367.50	13,588,482,501.27
Shareholders' Equity:		
Share Capital	3,003,276,130.00	3,003,713,230.00
Other Equity Instruments		
Including: Preferred Stocks		
Perpetual Bonds		
Capital Reserves	1,899,440,201.14	1,882,855,119.53
Less: Treasury Share	1,054,050,061.83	1,057,584,258.31
Other Comprehensive Incomes	22,308,140.82	12,308,276.23
Special Reserves		
Surplus Reserves	1,553,691,005.92	1,553,691,005.92
General Risk Reserves		
Undistributed Profits	10,565,982,836.95	10,248,023,654.54
Total Shareholders' Equity Attributable to the Parent Company	15,990,648,253.00	15,643,007,027.91
Minority Shareholders' Equity	326,976,191.13	333,160,683.75
Total Shareholders' Equity	16,317,624,444.13	15,976,167,711.66
Total Liabilities and Shareholders' Equity	28,388,447,811.63	29,564,650,212.93

Legal representative: Fu Liqun

Chief Financial Officer: Xu Qiaofen

General Manager of the
Financial Department (in charge
of accounting): Zhu Zhuling**2. Balance Sheet of the Parent Company**

Unit: RMB

Item Name	March 31, 2020	December 31, 2019
Current Assets:		
Cash and Bank Balances	803,466,065.55	890,598,735.62
Trading Financial Assets		
Derivative Financial Assets		
Notes receivable		
Accounts receivable	7,269,017,610.91	8,450,364,515.05
Receivables Financing	273,621,431.98	841,427,888.19
Prepayments	27,540,373.92	30,501,431.44
Other Receivables	7,908,311,805.39	5,138,830,912.64
Including: interest receivable		

Dividends Receivable		
Inventory	163,857,301.86	124,904,729.01
Contract Assets		
Holding for-sale assets		
Non-current Assets Due within 1 Year	54,489,451.65	53,952,526.19
Other Current Assets	805,742.20	21,919,487.88
Subtotal of Current Assets	16,501,109,783.46	15,552,500,226.02
Non-current Assets:		
Investment in Creditor's Rights		
Investment in Other Creditor's Rights		
Long-term Receivables	138,096,819.94	137,284,594.67
Long-term Equity Investment	3,539,511,865.77	3,523,259,061.78
Investment in Other Equity Instruments		
Other Non-current Financial Assets	171,126,387.68	62,979,387.68
Investment Property	181,880,669.44	187,756,594.11
Fixed Assets	527,713,216.59	536,909,246.66
Projects under Construction	261,005,356.54	203,836,998.96
Productive Biological Assets		
Oil and gas assets		
Right-of-use Assets		
Intangible Assets	165,335,683.49	168,215,377.39
Development Expenditure		
Goodwill		
Long-term Prepaid Expenses	25,478,490.74	26,687,122.32
Deferred Income Tax Assets	112,531,729.67	131,503,372.44
Other Non-current Assets	5,204,233.11	1,964,757.00
Subtotal of Non-current Assets	5,127,884,452.97	4,980,396,513.01
Total Assets	21,628,994,236.43	20,532,896,739.03
Current Liabilities:		
Short-term loan	1,142,169,722.20	400,323,888.90
Transactional financial liabilities		
Derivative Financial Liabilities		

Notes Payable	575,508,713.95	302,168,249.70
Accounts Payable	786,528,858.99	948,348,622.52
Received Prepayments		181,462,746.37
Contract liabilities	182,064,707.08	
Payroll payable	332,010,408.68	1,078,396,381.39
Tax Payable	288,109,649.48	460,577,509.52
Other Payables	1,471,278,097.31	1,363,740,346.75
Including: interest payable		
Dividends Payable	9,411,768.61	9,454,479.13
Holding for-sale liabilities		
Non-current Liabilities Due w within 1 Year		
Other Current Liabilities	5,891,311.71	5,892,364.82
Subtotal of Current Liabilities	4,783,561,469.40	4,740,910,109.97
Non-current Liabilities:		
Long-term loan	400,294,444.44	
Bonds Payable		
Including: Preferred Stocks		
Perpetual Bonds		
Lease Liabilities		
Long-term Payables		
Long-term payroll payable		
Expected Liabilities	10,277,353.95	9,735,157.34
Deferred Income		
Deferred Income Tax Liabilities	2,137,588.48	1,297,719.64
Other Non-current Liabilities	16,088,870.37	16,155,036.85
Subtotal of Non-current Liabilities	428,798,257.24	27,187,913.83
Total Liabilities	5,212,359,726.64	4,768,098,023.80
Shareholders' Equity:		
Share Capital	3,003,276,130.00	3,003,713,230.00
Other Equity Instruments		
Including: Preferred Stocks		
Perpetual Bonds		
Capital Reserves	1,888,914,537.83	1,867,489,901.04

Less: Treasury Share	1,054,050,061.83	1,057,584,258.31
Other Comprehensive Incomes		
Special Reserves		
Surplus Reserves	1,553,691,005.92	1,553,691,005.92
Undistributed Profits	11,024,802,897.87	10,397,488,836.58
Total Shareholders' Equity	16,416,634,509.79	15,764,798,715.23
Total Liabilities and Shareholders' Equity	21,628,994,236.43	20,532,896,739.03

3. Consolidated Income Statement

Unit: RMB

Item Name	This Period's Amount of Occurrence	Previous Period's Amount of Occurrence
I. Total Operating Revenue	3,501,562,275.80	4,347,918,104.26
Including: Operating Revenue	3,501,562,275.80	4,347,918,104.26
Interest Income		
Earned Premiums		
Service Charge and Commission Income		
II. Total Operating Cost	3,369,359,569.59	4,206,843,222.30
Including: Operating Cost	1,777,655,306.56	2,719,715,306.27
Interest Expenditures		
Service Charge and Commission Expenses		
Surrender Value		
Net Claims Paid		
The Net Amount Withdraw n for Insurance Liability Reserves		
Policyholder Dividend Expense		
Reinsurance Cost		
Taxes and Surcharges	18,696,287.45	23,874,799.92
Sales Expenses	794,773,576.60	655,869,241.60
Administration expenses	150,490,749.11	148,771,651.74
Research and development expense	582,896,157.53	541,327,378.49
Financial Expenses	44,847,492.34	117,284,844.28
Including: interest expenses	21,544,585.52	35,426,066.33

Interest Income	45,305,751.27	39,467,635.58
Add: Other income	231,668,573.00	193,253,518.07
Investment Income (Mark "-" for Loss)	-15,622,723.50	-9,778,727.73
Including: Investment Income from Affiliates and Joint Ventures	-16,724,727.64	-782,168.13
Profits from recognition Termination of Financial Assets at Amortized Cost		
Exchange Gains (Mark "-" for Losses)		
Profit of Net Exposure Hedging (Mark "-" for Loss)		
Incomes from changes in fair value (losses marked with "-")		34,436,817.76
Credit Impairment Losses (Mark "-" for Loss)	-6,803,561.85	-43,244,547.78
Asset Impairment Losses (Mark "-" for Loss)	-1,523,740.78	-1,762,003.77
Asset Disposal Income (Mark "-" for Loss)		
III. Operating Profit (Mark "-" for Loss)	339,921,253.08	313,979,938.51
Add: Non-operating Revenues	1,936,274.21	6,715,442.18
Less: Non-operating Expenses	6,623,544.62	512,570.47
IV. Total Profit (Mark "-" for Total Loss)	335,233,982.67	320,182,810.22
Less: Income Tax Expense	26,101,996.30	14,762,513.41
V. Net Profit (Mark "-" for Net Loss)	309,131,986.37	305,420,296.81
i. Classified by operation continuity		
1. Net Profit as a Going Concern (Mark "-" for Net Loss)	309,131,986.37	305,420,296.81
2. Net Profit of Discontinued Operation (Mark "-" for Net Loss)		
ii. Classified by the attribution of ownership		
1. Net Profit Attributable to the Parent Company's Owner	317,916,471.89	316,343,906.02
2. Minority Shareholders' Profit and Loss	-8,784,485.52	-10,923,609.21

VI. Net Amount of Other Comprehensive Incomes after Tax	9,999,857.49	11,199,155.65
Net Amount of Other Comprehensive Incomes after Tax Attributable to the Parent Company's Owner	9,999,864.59	11,199,155.65
(1) Other comprehensive income that cannot be reclassified as P/L		
1. Re-measure the variation of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to P/L under the equity method		
3. Changes in the fair value of investment in other equity instruments		
4. Changes in the fair value of the credit risk of the enterprise		
5. Others		
(2) Other comprehensive income that will be reclassified as P/L	9,999,864.59	11,199,155.65
1. Other comprehensive income that can be transferred to P/L under the equity method		
2. Changes in the fair value of investment in other creditor's rights		
3. Financial assets reclassified into other comprehensive income		
4. Provision for the impairment of credit in other debt investments		
5. Cash flow hedge reserve		
6. Converted difference in foreign currency financial statements	9,999,864.59	11,199,155.65
7. Other		
Net Amount of Other Comprehensive Incomes After Tax Attributable to Minority Shareholders	-7.10	
VII. Total Comprehensive Income	319,131,843.86	316,619,452.46
Total Comprehensive Income Attributable to the Parent Company's Owner	327,916,336.48	327,543,061.67

Total Comprehensive Income Attributable to Minority Shareholders	-8,784,492.62	-10,923,609.21
VIII. Earnings per Share:		
(I) Basic Earnings per Share	0.11	0.11
(II) Diluted Earnings per Share	0.11	0.11

Legal representative: Fu Liquan

Chief Financial Officer: Xu Qiaofen

General Manager of the
Financial Department (in charge
of accounting): Zhu Zhuling

4. Income Statement of the Parent Company

Unit: RMB

Item Name	This Period's Amount of Occurrence	Previous Period's Amount of Occurrence
I. Operating Revenue	1,534,303,148.70	1,160,709,728.28
Less: Operating Cost	223,891,713.58	111,231,656.05
Taxes and Surcharges	10,768,457.54	13,406,573.12
Sales Expenses	250,468,420.26	327,870,861.50
Administration expenses	75,613,815.40	81,251,635.80
Research and development expense	496,224,547.93	456,283,172.66
Financial Expenses	-4,875,931.36	15,403,187.19
Including: interest expenses	14,345,671.26	25,906,898.88
Interest Income	19,875,466.93	10,767,232.85
Add: Other income	204,171,397.15	182,806,535.54
Investment Income (Mark "-" for Loss)	-10,851,788.21	1,320,536.95
Including: Investment Income from Affiliates and Joint Ventures	-11,978,886.10	-60,631.89
Profits from Derecognition of Financial Assets at Amortized Cost (Mark "-" for Loss)		
Profit of Net Exposure Hedging (Mark "-" for Loss)		
Incomes from changes in fair value (losses marked with "-")		
Credit Impairment Losses (Mark "-" for Loss)	6,922,219.15	5,848,611.97

Asset Impairment Losses (Mark "-" for Loss)		
Asset Disposal Income (Mark "-" for Loss)		
II. Operating Profit (Mark "-" for Loss)	682,453,953.44	345,238,326.42
Add: Non-operating Revenues	1,387,746.17	1,881,023.83
Less: Non-operating Expenses	5,434,839.68	282,834.14
III. Total Profit (Mark "-" for Total Loss)	678,406,859.93	346,836,516.11
Less: Income Tax Expense	51,135,509.16	8,904,994.35
IV. Net Profit (Mark "-" for Net Loss)	627,271,350.77	337,931,521.76
(I) Net Profit as a Going Concern (Mark "-" for Net Loss)	627,271,350.77	337,931,521.76
(II) Net Profit of Discontinued Operation (Mark "-" for Net Loss)		
V. Net Amount of Other Comprehensive Incomes After Tax		
(1) Other comprehensive income that cannot be reclassified as P/L		
1. Re-measure the variation of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to P/L under the equity method		
3. Changes in the fair value of investment in other equity instruments		
4. Changes in the fair value of the credit risk of the enterprise		
5. Others		
(2) Other comprehensive income that will be reclassified as P/L		
1. Other comprehensive income that can be transferred to P/L under the equity method		
2. Changes in the fair value of investment in other creditor's rights		
3. Amount of financial assets reclassified into other comprehensive income		

4. Provision for the impairment of credit in other debt investments		
5. Cash flow hedge reserve		
6. Converted difference in foreign currency financial statements		
7. Other		
VI. Total Comprehensive Income	627,271,350.77	337,931,521.76
VII. Earnings per Share:		
(I) Basic Earnings per Share	0.22	0.12
(II) Diluted Earnings per Share	0.22	0.12

5. Consolidated Cash Flow Statement

Unit: RMB

Item Name	This Period's Amount of Occurrence	Previous Period's Amount of Occurrence
I. Cash Flow Generated by Operational Activities:		
Cash from Sales of Merchandise and Provision of Services	6,120,271,238.59	5,084,524,142.75
Net Increase in Customer's Bank Deposits and Interbank Deposits		
Net Increase in Borrowings from the Central Bank		
Net Increase in Borrowings from Other Financial Institutions		
Cash Arising from Receiving Premiums for the Original Insurance Contract		
Net Amount Arising from Reinsurance Business		
Net Increase in Deposits and Investments from Policyholders		
Cash Arising from Interests, Service Charges and Commissions		
Net Increase in Borrowings from Banks and Other Financial Institutions		
Net Increase in Repurchase		

Business Funds		
Net Amount of Cash Received from the Vicariously Traded Securities		
Tax Refund	740,215,721.64	458,798,417.38
Other Received Cashes Related to Operational Activities	44,949,326.78	38,953,212.45
Subtotal of cash inflow from operational activities	6,905,436,287.01	5,582,275,772.58
Cash Paid for Merchandise and Services	5,017,346,044.66	4,827,278,072.02
Net Increase in Loans and Advances to Customers		
Net Increase in Deposits with Central Bank and Other Financial Institutions		
Cash Paid for Original Insurance Contract Claims		
Net increase of funds lent		
Cash Paid for Interests, Service Charges and Commissions		
Cash Paid for Policy Dividends		
Cash Paid to and for Employees	1,981,075,262.40	1,591,249,215.21
Cash Paid for Taxes and Surcharges	636,310,647.26	517,455,490.85
Other Paid Cashes Related to Operational Activities	461,221,931.66	374,780,207.41
Subtotal of cash outflow from operational activities	8,095,953,885.98	7,310,762,985.49
Net cash flow generated by operating activities	-1,190,517,598.97	-1,728,487,212.91
II. Cash Flow from Investment Activities:		
Cash Arising from Disposal of Investments	199,900,000.00	
Cash Arising from Investment Incomes	640,733.53	21,168.84
Net Cash Arising from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets	219,552.16	3,514,007.57
Net Cash Arising from Disposal of		

Subsidiaries and Other Business Units		
Other Received Cashes Related to Investment Activities	1,619,946.28	2,853,407.03
Subtotal of cash inflow from investment activities	202,380,231.97	6,388,583.44
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets	127,443,261.33	134,928,482.99
Cash Paid for Investments	308,047,000.00	12,200,000.00
Net Increase in Pledge Loans		
Net Cash Paid for Acquisition of Subsidiaries and Other Business Units		
Other Paid Cashes Related to Investment Activities	70,109,093.75	19,920,975.30
Subtotal of cash outflow from investment activities	505,599,355.08	167,049,458.29
Net amount of cash flow generated by investment activities	-303,219,123.11	-160,660,874.85
III. Cash Flow from Financing Activities:		
Cash Arising from Absorbing Investments	2,600,000.00	15,949,250.00
Including: Cash Arising from Subsidiaries Absorbing Investments by Minority Shareholders	2,600,000.00	15,949,250.00
Cash Arising from Borrowings	2,503,241,328.07	2,694,932,981.06
Other Received Cashes Related to Financing Activities	241,066,000.00	705,446,141.85
Subtotal of cash inflow from financing activities	2,746,907,328.07	3,416,328,372.91
Cash Paid for Debts Repayment	1,134,342,813.55	1,536,335,296.99
Cash Paid for Distribution of Dividends and Profits or Payment of Interests	13,192,254.16	25,649,072.19
Including: Dividends and Profits Paid to Minority Shareholders by Subsidiaries		
Other Paid Cashes Related to Financing Activities	241,066,000.00	741,523,904.02
Subtotal of cash outflow from financing	1,388,601,067.71	2,303,508,273.20

activities		
Net cash flow generated by financing activities	1,358,306,260.36	1,112,820,099.71
IV. Impact of Fluctuation in Exchange Rate on Cash and Cash Equivalents	-21,109,999.08	-38,821,971.01
V. Net Increase in Cash and Cash Equivalents	-156,540,460.80	-815,149,959.06
Add: Cash and Cash Equivalents at the Commencement of the Period	2,734,185,976.41	3,702,283,803.54
VI. Cash and Cash Equivalents at the End of the Period	2,577,645,515.61	2,887,133,844.48

6. Cash Flow Statement of the Parent Company

Unit: RMB

Item Name	This Period's Amount of Occurrence	Previous Period's Amount of Occurrence
I. Cash Flow Generated by Operational Activities:		
Cash from Sales of Merchandise and Provision of Services	3,415,807,937.69	1,237,857,022.90
Tax Refund	241,436,506.43	178,394,009.37
Other Received Cashes Related to Operational Activities	16,282,249.26	11,635,775.73
Subtotal of cash inflow from operational activities	3,673,526,693.38	1,427,886,808.00
Cash Paid for Merchandise and Services	43,425,201.12	238,102,377.98
Cash Paid to and for Employees	1,276,096,836.81	1,085,112,295.39
Cash Paid for Taxes and Surcharges	398,845,113.34	296,316,540.83
Other Paid Cashes Related to Operational Activities	256,763,641.58	224,380,235.96
Subtotal of cash outflow from operational activities	1,975,130,792.85	1,843,911,450.16
Net cash flow generated by operating activities	1,698,395,900.53	-416,024,642.16
II. Cash Flow from Investment Activities:		
Cash Arising from Disposal of Investments	199,900,000.00	

Cash Arising from Investment Incomes	640,733.53	21,168.84
Net Cash Arising from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets	7,434,630.94	11,510,391.55
Net Cash Arising from Disposal of Subsidiaries and Other Business Units		
Other Received Cashes Related to Investment Activities	1,601,946.28	8,041,013.16
Subtotal of cash inflow from investment activities	209,577,310.75	19,572,573.55
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets	75,087,633.55	57,245,412.46
Cash Paid for Investments	325,407,000.00	89,195,750.00
Net Cash Paid for Acquisition of Subsidiaries and Other Business Units		
Other Paid Cashes Related to Investment Activities		
Subtotal of cash outflow from investment activities	400,494,633.55	146,441,162.46
Net amount of cash flow generated by investment activities	-190,917,322.80	-126,868,588.91
III. Cash Flow from Financing Activities:		
Cash Arising from Absorbing Investments		
Cash Arising from Borrowings	1,739,800,000.00	1,213,811,815.43
Other Received Cashes Related to Financing Activities	811,534,932.34	360,369,553.55
Subtotal of cash inflow from financing activities	2,551,334,932.34	1,574,181,368.98
Cash Paid for Debts Repayment	599,800,000.00	546,970,000.00
Cash Paid for Distribution of Dividends and Profits or Payment of Interests	8,418,694.92	16,701,289.76
Other Paid Cashes Related to Financing Activities	3,537,474,262.85	928,248,678.61
Subtotal of cash outflow from financing	4,145,692,957.77	1,491,919,968.37

activities		
Net cash flow generated by financing activities	-1,594,358,025.43	82,261,400.61
IV. Impact of Fluctuation in Exchange Rate on Cash and Cash Equivalents	1,932.87	-155,662.94
V. Net Increase in Cash and Cash Equivalents	-86,877,514.83	-460,787,493.40
Add: Cash and Cash Equivalents at the Commencement of the Period	860,741,299.14	603,430,209.42
VI. Cash and Cash Equivalents at the End of the Period	773,863,784.31	142,642,716.02

II. Adjustments to the Financial Statements

1. The adjustments to financial statements for the beginning of the year due to the first implementation of the new revenue recognition standard and the new lease accounting standard in 2020

Applicable Not applicable

Consolidated Balance Sheet

Unit: RMB

Item Name	December 31, 2019	January 1, 2020	Adjusted amount
Current Assets:			
Cash and Bank Balances	3,084,428,970.43	3,084,428,970.43	
Accounts receivable	13,241,196,380.65	13,240,269,418.22	-926,962.43
Receivables Financing	1,086,017,357.90	1,086,017,357.90	
Prepayments	128,182,099.47	143,212,500.49	15,030,401.02
Other Receivables	408,776,610.17	408,776,610.17	
Inventory	3,839,810,704.33	3,839,810,704.33	
Contract Assets		926,962.43	926,962.43
Non-current Assets Due within 1 Year	630,717,329.58	630,717,329.58	
Other Current Assets	556,311,770.08	569,164,987.09	12,853,217.01
Subtotal of Current Assets	22,975,441,222.61	23,003,324,840.64	27,883,618.03
Non-current Assets:			
Long-term Receivables	2,568,442,030.19	2,568,442,030.19	
Long-term Equity Investment	490,731,236.85	490,731,236.85	

Other Non-current Financial Assets	67,213,489.43	67,213,489.43	
Investment Property	336,181,589.99	336,181,589.99	
Fixed Assets	1,522,463,368.83	1,522,463,368.83	
Projects under Construction	435,757,406.90	435,757,406.90	
Intangible Assets	411,758,785.31	411,758,785.31	
Goodwill	42,685,490.30	42,685,490.30	
Long-term Prepaid Expenses	37,311,198.19	37,311,198.19	
Deferred Income Tax Assets	668,058,558.83	668,058,558.83	
Other Non-current Assets	8,605,835.50	8,605,835.50	
Subtotal of Non-current Assets	6,589,208,990.32	6,589,208,990.32	
Total Assets	29,564,650,212.93	29,592,533,830.96	27,883,618.03
Current Liabilities:			
Short-term loan	400,323,888.90	400,323,888.90	
Notes Payable	3,807,292,795.07	3,807,292,795.07	
Accounts Payable	4,290,253,501.81	4,290,253,501.81	
Received Prepayments	375,521,795.82		-375,521,795.82
Contract liabilities		334,045,746.26	334,045,746.26
Payroll payable	1,582,368,359.30	1,582,368,359.30	
Tax Payable	813,357,471.37	869,863,921.95	56,506,450.58
Other Payables	1,163,915,713.24	1,163,915,713.24	
Dividends Payable	9,454,479.13	9,454,479.13	
Non-current Liabilities Due within 1 Year	26,993,755.57	26,993,755.57	
Other Current Liabilities	71,233,107.93	71,233,107.93	
Subtotal of Current Liabilities	12,531,260,389.01	12,546,290,790.03	15,030,401.02
Non-current Liabilities:			
Long-term loan	153,500,000.00	153,500,000.00	
Expected Liabilities	303,670,887.50	316,524,104.51	12,853,217.01
Deferred Income	117,210,761.34	117,210,761.34	
Deferred Income Tax	50,565,095.68	50,565,095.68	

Liabilities			
Other Non-current Liabilities	432,275,367.74	432,275,367.74	
Subtotal of Non-current Liabilities	1,057,222,112.26	1,070,075,329.27	12,853,217.01
Total Liabilities	13,588,482,501.27	13,616,366,119.30	27,883,618.03
Shareholders' Equity:			
Share Capital	3,003,713,230.00	3,003,713,230.00	
Capital Reserves	1,882,855,119.53	1,882,855,119.53	
Less: Treasury Share	1,057,584,258.31	1,057,584,258.31	
Other Comprehensive Incomes	12,308,276.23	12,308,276.23	
Surplus Reserves	1,553,691,005.92	1,553,691,005.92	
Undistributed Profits	10,248,023,654.54	10,248,023,654.54	
Total Shareholders' Equity Attributable to the Parent Company	15,643,007,027.91	15,643,007,027.91	
Minority Shareholders' Equity	333,160,683.75	333,160,683.75	
Total Shareholders' Equity	15,976,167,711.66	15,976,167,711.66	
Total Liabilities and Shareholders' Equity	29,564,650,212.93	29,592,533,830.96	27,883,618.03

Adjustment explanation

Balance Sheet of the Parent Company

Unit: RMB

Item Name	December 31, 2019	January 1, 2020	Adjusted amount
Current Assets:			
Cash and Bank Balances	890,598,735.62	890,598,735.62	
Accounts receivable	8,450,364,515.05	8,450,364,515.05	
Receivables Financing	841,427,888.19	841,427,888.19	
Prepayments	30,501,431.44	30,501,431.44	
Other Receivables	5,138,830,912.64	5,138,830,912.64	
Inventory	124,904,729.01	124,904,729.01	
Non-current Assets Due within 1 Year	53,952,526.19	53,952,526.19	
Other Current Assets	21,919,487.88	21,919,487.88	

Subtotal of Current Assets	15,552,500,226.02	15,552,500,226.02	
Non-current Assets:			
Long-term Receivables	137,284,594.67	137,284,594.67	
Long-term Equity Investment	3,523,259,061.78	3,523,259,061.78	
Other Non-current Financial Assets	62,979,387.68	62,979,387.68	
Investment Property	187,756,594.11	187,756,594.11	
Fixed Assets	536,909,246.66	536,909,246.66	
Projects under Construction	203,836,998.96	203,836,998.96	
Intangible Assets	168,215,377.39	168,215,377.39	
Long-term Prepaid Expenses	26,687,122.32	26,687,122.32	
Deferred Income Tax Assets	131,503,372.44	131,503,372.44	
Other Non-current Assets	1,964,757.00	1,964,757.00	
Subtotal of Non-current Assets	4,980,396,513.01	4,980,396,513.01	
Total Assets	20,532,896,739.03	20,532,896,739.03	
Current Liabilities:			
Short-term loan	400,323,888.90	400,323,888.90	
Notes Payable	302,168,249.70	302,168,249.70	
Accounts Payable	948,348,622.52	948,348,622.52	
Received Prepayments	181,462,746.37		-181,462,746.37
Contract liabilities		160,586,501.21	160,586,501.21
Payroll payable	1,078,396,381.39	1,078,396,381.39	
Tax Payable	460,577,509.52	481,453,754.68	20,876,245.16
Other Payables	1,363,740,346.75	1,363,740,346.75	
Dividends Payable	9,454,479.13	9,454,479.13	
Other Current Liabilities	5,892,364.82	5,892,364.82	
Subtotal of Current Liabilities	4,740,910,109.97	4,740,910,109.97	
Non-current Liabilities:			
Expected Liabilities	9,735,157.34	9,735,157.34	
Deferred Income Tax	1,297,719.64	1,297,719.64	

Liabilities			
Other Non-current Liabilities	16,155,036.85	16,155,036.85	
Subtotal of Non-current Liabilities	27,187,913.83	27,187,913.83	
Total Liabilities	4,768,098,023.80	4,768,098,023.80	
Shareholders' Equity:			
Share Capital	3,003,713,230.00	3,003,713,230.00	
Capital Reserves	1,867,489,901.04	1,867,489,901.04	
Less: Treasury Share	1,057,584,258.31	1,057,584,258.31	
Surplus Reserves	1,553,691,005.92	1,553,691,005.92	
Undistributed Profits	10,397,488,836.58	10,397,488,836.58	
Total Shareholders' Equity	15,764,798,715.23	15,764,798,715.23	
Total Liabilities and Shareholders' Equity	20,532,896,739.03	20,532,896,739.03	

2. Explanation of compared data before and after the adjustment according to the first implementation of the new revenue recognition standard and the new lease accounting standard in 2020

Applicable Not applicable

III. Audit Report

Whether the Q1 Report is audited

Yes No

The Q1 Report of the Company is not audited.

Zhejiang Dahua Technology Co., Ltd.

Chairman: Fu Liquan

April 28, 2020