



2020 First Quarter Report

Of

Chongqing Changan Automobile Company Limited

April, 2020

Chapter 1 Important Notes

The Board of Directors, the Supervisory Committee and directors, supervisors and senior management of Chongqing Changan Automobile Company Limited (hereinafter referred to as “the Company”) hereby guarantee that no false or misleading statement or major omission was made to the materials in this report and that they will assume all the responsibilities, individually and jointly, for the trueness, accuracy and completeness of the contents of this report.

All directors attended the board meeting for reviewing the first quarter report.

The Chairman of the Board Zhang Baolin, the Chief Financial Officer Zhang Deyong and the responsible person of the accounting institution (Accountant in charge) Chen Jianfeng hereby declare that the Financial Statements enclosed in this annual report are true, accurate and complete.

The report shall be presented in both Chinese and English, and should there be any conflicting understanding of the text, the Chinese version shall prevail.

Chapter 2 Basic Information

I. Main accounting data and financial indicators

Does the company conduct the retrospective adjustment or restatement of previous years accounting data due to changes in accounting policies or accounting errors?

☐ Yes ☒ No

In RMB Yuan

	The reporting period	The same period of last year	Variance (%)
Operating income	11,564,077,463.34	16,007,950,602.50	-27.76%
Net profit attributable to shareholders of the Company	631,077,888.63	-2,096,352,326.12	130.10%
Net profit excluding non-recurring gains and losses attributable to shareholders of listed company	-1,793,324,817.62	-2,161,147,810.27	17.02%
cash flow from operating activities	4,155,344,266.52	3,258,788,381.35	27.51%
Basic earnings per share	0.13	-0.44	129.55%
Diluted earnings per share	N/A	N/A	N/A
Weighted average return on net assets	1.42%	-4.62%	Up 6.04 Points
	The reporting period	End of 2019	Variance (%)
Total assets	95,283,479,873.92	97,617,053,590.38	-2.39%
Net assets attributable to shareholders of listed company	44,682,600,151.16	44,028,312,743.66	1.49%

Accidental gain/loss item and amount

☒ Applicable ☐ Not applicable

In RMB Yuan

Item	Amount of the period from the beginning of year to the end of report term	Explanation
Gain/loss of non-current assets	1,354,464.30	
Government subsidies accounted into current gain/loss account, other than those closely related to the Company's common business, comply with the national policy and continues to enjoy at certain fixed rate or amount.	57,408,092.65	
Interest on deferred payment of funds received by non financial enterprises	5,578,426.09	
In addition to the effective hedging business related to the normal operation of the company, the fair value change profit and loss arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities and derivative financial liabilities	341,035,600.71	
Other non-business income and expenditures other than the above	319,830.16	
Others (Note 1)	2,084,267,795.46	
Less: Influenced amount of income tax	65,074,332.57	
Influenced amount of minority shareholders' equity	487,170.55	
Total	2,424,402,706.25	

Note1: A wholly owned subsidiary, Chongqing Chang'an New Energy Automobile Technology Co., Ltd., has introduced strategic investors. The Company has recognized non-recurring gains and losses after losing control of the company.

According to "Public offering of securities information disclosure of the company's information disclosure announcement No. 1 – non-recurring gains and losses" defined non-recurring items, and Public offering of securities information disclosure of the company's information disclosure announcement No. 1 – non-recurring gains and losses "The items listed in the non-recurring items defined as recurring items shall be explained.

☐ Applicable ☒ Not applicable

The company in the reporting period does not base on the definition and listing of "Public offering of securities information

disclosure of the company's information disclosure announcement No. 1 – non-recurring gains and losses” about non-recurring gains and losses to define a case of recurring profit or loss.

II. Total number of shareholders at the end of the reporting period and statement on shares held by the top ten tradable shareholders

1. Total number of shareholders at the end of the reporting period and statement on shares held by the top ten shareholders

Unit: share

As of the reporting period, the total number of shareholders			142,292			
Top 10 Shareholders						
Name of the shareholder	Properties of shareholder	Shareholding (%)	Number of shares	Conditional shares	Pledging or freezing	
					Share status	Amount
China South Industries Group Co., Ltd.	State-owned legal person shares	21.56%	1,035,312,673		No pledge or frozen	0
China Changan Automobile Co., Ltd.	State-owned legal person shares	19.32%	928,044,946		No pledge or frozen	0
China securities finance Co, Ltd	domestic general legal person shares	4.88%	234,265,333		No pledge or frozen	0
United Prosperity (Hongkong) Investment Co., Limited	foreign legal person shares	3.21%	154,120,237		No pledge or frozen	0
Hong Kong Securities Clearing Company Limited	foreign legal person shares	2.81%	134,769,572		No pledge or frozen	0
Central Huijin Investment Ltd.	domestic general legal person shares	1.15%	55,393,100		No pledge or frozen	0
DRAGON BILLION SELECT MASTER FUND	foreign legal person shares	0.80%	38,400,332		No pledge or frozen	0
GIC PRIVATE LIMITED	foreign legal person shares	0.73%	35,283,393		No pledge or frozen	0
CAPE ANN GLOBAL DEVELOPING MARKETS FUND	foreign legal person shares	0.51%	24,279,825		No pledge or frozen	0
Industrial and Commercial Bank of China Value Growth Portfolio Investment Fund	Funds, wealth management products, etc.	0.43%	20,672,905		No pledge or frozen	0
Top 10 holders of unconditional shares						
Name of the shareholder		Amount of shares without sales restriction	Category of shares			
			Category of shares	Amount		
China South Industries Group Co., Ltd.		1,035,312,673	RMB ordinary shares	1,035,312,673		
China Changan Automobile Co., Ltd.		928,044,946	RMB ordinary shares	928,044,946		
China securities finance Co, Ltd		234,265,333	RMB ordinary shares	234,265,333		
United Prosperity (Hongkong) Investment Co., Limited		154,120,237	Domestic listed foreign shares	154,120,237		
Hong Kong Securities Clearing Company Limited		134,769,572	RMB ordinary shares	134,769,572		
Central Huijin Investment Ltd.		55,393,100	RMB ordinary shares	55,393,100		
DRAGON BILLION SELECT MASTER FUND		38,400,332	Domestic listed foreign shares	38,400,332		
GIC PRIVATE LIMITED		35,283,393	Domestic listed foreign shares	35,283,393		
CAPE ANN GLOBAL DEVELOPING MARKETS FUND		24,279,825	Domestic listed foreign shares	24,279,825		
Industrial and Commercial Bank of China Value Growth Portfolio Investment Fund		20,672,905	RMB ordinary shares	20,672,905		

Explanation on the relationship and the action alike of above shareholders	Among the top 10 shareholders, China South Industries Group Co., Ltd., the actual controller; China Changan Automobile Group Co., Ltd., the controlling shareholder, and its wholly owned subsidiary United Prosperity (Hong Kong) Investment Co., Limited. belong to the concerted actor regulated by “Disclosure Administration of Shares Change Information of The Listed Company”.
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Whether the company top 10 shareholders of ordinary shares, and the top 10 circulated shareholders agreed on the repurchase transactions during the report period

☐Applicable ☒Not Applicable

The top 10 shareholders of ordinary shares, and the top 10 circulated shareholders have not agreed on the repurchase transactions during the report period

2. Total number of preferred shareholders at the end of the reporting period and statement on preferred shares held by the top ten tradable shareholders

☐Applicable ☒Not Applicable

Chapter 3 Important Matters

I. Significant changes & reasons in major accounting data, financial indicators

√Applicable □Not Applicable

In RMB Yuan				
Number	Balance Sheet Items	Mar. 31 st ,2020	Jan. 1 st , 2020	Changes (%)
1	Cash	13,646,673,877.84	10,066,171,353.48	35.57%
2	Notes receivable	18,555,222,074.54	26,805,635,587.19	-30.78%
3	Accounts receivable	1,831,079,053.00	838,314,076.82	118.42%
4	Prepayments	978,074,993.19	623,801,896.07	56.79%
5	Short-term loans	359,580,000.00	229,580,000.00	56.63%
6	Payroll payable	718,849,463.37	1,046,335,781.91	-31.30%
7	Tax payables	366,104,658.60	889,092,442.80	-58.82%
	Income Statement Items	Jan-Mar 2020	Jan-Mar 2019	Changes (%)
1	Cost	10,555,130,992.83	15,204,463,239.37	-30.58%
2	G&A expenses	404,138,581.75	626,499,621.93	-35.49%
3	R&D expenses	697,946,683.12	455,925,951.99	53.08%
4	Financial expenses	-27,695,921.06	-42,420,980.32	34.71%
5	Investment income	1,452,112,755.17	-397,154,020.56	465.63%
	Cash Flow Statement Items	Jan-Mar 2020	Jan-Mar 2019	Changes (%)
1	Net cash flows from operating activities	4,155,344,266.52	3,258,788,381.35	27.51%
2	Net cash flows from investing activities	-2,100,075,814.59	-1,241,139,566.02	-69.21%
3	Net cash flows from financing activities	1,306,529,442.19	-491,899,844.50	365.61%
4	Net increase of cash and cash equivalents	3,346,491,148.05	1,542,739,858.66	116.92%

As at the end of reporting period, the company's total asset was 95.283 billion Yuan, with 2.39% decrease compared with the beginning of the year. The total liability was 50.703 billion Yuan, with 5.55% decrease compared with the beginning of the year. The debt asset ratio was 53.21%, which was 1.78 percentage points lower than the beginning of the year.

During the reporting period, the balance of monetary funds increased compared with that at the beginning of the year, and the balance of notes receivable decreased compared with that at the beginning of the year, which was mainly caused by the due collection of notes receivable within the quarter; the increase of accounts receivable was mainly caused by the change of consolidation scope; the increase of prepayment balance compared with that at the beginning of the year was mainly caused by the increase of loans from suppliers in advance; the increase of short-term loan balance compared with that at the beginning of the year was mainly caused by the increase of short-term bank loans. The balance of employee payable decreased compared with that at the beginning of the year, mainly due to the company's centralized payment of the salary payable accrued at the end of the previous year in the first quarter; the balance of tax payable decreased compared with that at the beginning of the year, mainly due to the decrease of consumption tax payable.

During the reporting period, the operating cost decreased year-on-year, mainly due to the year-on-year decline of product sales volume in the quarter; the management expense decreased year-on-year, and the R & D expense increased year-on-year, mainly due to the reclassification of the company's expenses; the financial expense increased significantly compared with the same period of last year, mainly due to the decrease of interest income; the investment income increased significantly, mainly due to the disposal of new energy technology company's equity.

During the reporting period, the company's net increase in cash and cash equivalents was RMB 3.346 billion, up 116.92% year-on-year, mainly due to the significant increase in net cash flow from financing activities; net cash flow from operating activities was RMB 4.155 billion, up 27.51% year-on-year, mainly due to the significant decrease in cash paid for purchasing goods and receiving services; net cash flow from investment activities was - 2.100 billion yuan, a year-on-year decrease of 69.21%, mainly due to the substantial increase in other cash paid related to investment activities; the net cash flow from financing activities was 1.307 billion

yuan, a year-on-year increase of 365.61%, mainly due to the substantial increase in cash received from investment.

II. The progress and influence of significant events and the analysis and explanation on resolving proposal

√Applicable □Not Applicable

The company held the 64th meeting of the 7th board of directors on April 27, 2020, deliberated and passed relevant proposals on the company's non-public issuance of shares, etc., and proposed to issue shares to specific objects, with the total amount of raised funds not more than 600 million yuan (including this number). For details, please refer to the relevant announcements disclosed by the company on <http://www.cninfo.com.cn>.

Implementation progress of share repurchase

Applicable √ not applicable

Progress in the implementation of reducing share buyback through centralized bidding

Applicable √ not applicable

III. Commitments made within the reporting period by the controlling shareholders, shareholders, related party, acquirer and the company overdue and not fulfilled

□Applicable √Not Applicable

During the reporting period, the company's actual controllers, shareholders, related parties, purchasers and companies and other commitment parties don't have any overdue unfulfilled commitments.

IV. Forecast of operation performance from Jan. – June of 2020

The warning or a reason for a loss or a significant change of cumulative net profit from the beginning of the year to the end of the next reporting period compared with the same period of last year

□Applicable √Not Applicable

V. Securities Investment

√Applicable □Not Applicable

Security variety	Stock code	Stock name	Initial investment cost (RMB Yuan)	Opening equity Holdings (share)	Opening equity holding ratio (%)	Closing equity holdings (share)	Closing equity Holdings (%)	Closing book value (RMB Yuan)	Gain/loss in the reporting period (RMB Yuan)	Accounting title	Equity source
Stock	600369	Southwest Securities	50,000,000	35,500,000	0.63%	35,500,000	0.63%	160,460,000.00	-20,217,250.00	Transactional financial assets	Initial investment
Stock	300750	CATL	1,052,930,406.36	22,999,575	1.04%	22,999,575	1.04%	2,600,051,800.71	310,097,510.60	Transactional financial assets	Initial investment
Total			1,102,930,406.36	58,499,575	--	58,499,575	--	2,760,511,800.71	289,880,260.60		

VI. Derivative Investment

□Applicable √Not Applicable

During the company's reporting period, there is no derivative investment.

VII. Interviews and visits in the reporting period

√Applicable □Not Applicable

Date	Manner	Object	Content discussed and material offered
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2020.01.14	On-Site Survey	Institution	For details, see the January 16, 2020 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: January 14, 2020 investor relations activities record sheet
2020.01.21	On-Site Survey	Institution	For details, see the January 21, 2020 Shenzhen stock exchange interactive (http://irm.cninfo.com.cn) on the Changan Automobile: January 21, 2020 investor relations activities record sheet

VIII. Illegal external guarantee

☐Applicable ☒Not Applicable

The company doesn't violate the rules of external guarantee during the reporting period.

IX. Controlling shareholder and its related parties to the listing Corporation's non-operating funds

☐Applicable ☒Not Applicable

During the reporting period, there is no non-operating capital occupied by the controlling shareholder and its related parties to the listed company.

Chapter 4 Financial Statements

I. Financial Statements

1. Consolidated Balance Sheet

Prepared by: CHONGQING CHANGAN AUTOMOBILE CO., LTD.

March 31, 2020

In RMB Yuan

Account	Ending Balance	Opening Balance
Current assets:		
Cash	13,646,673,877.84	10,066,171,353.48
Trading financial assets	2,760,511,800.71	2,419,476,200.00
Notes receivable	18,555,222,074.54	26,805,635,587.19
Accounts receivable	1,831,079,053.00	838,314,076.82
Prepayments	978,074,993.19	623,801,896.07
Other receivables	304,699,309.11	3,731,755,992.46
Inventories	4,276,285,385.48	3,375,441,488.37
Contract assets	2,329,906,613.76	-
Holding assets for sale		
Non-current assets due within one year		
Other current assets	1,501,583,086.80	1,746,120,128.04
Total current assets	46,184,036,194.43	49,606,716,722.43
Non-current assets:		
Available-for-sale financial assets		
Long-term receivables		
Long-term equity investments	12,919,233,828.66	11,008,336,989.09
Investment in other equity instruments	734,506,100.00	734,506,100.00
Investment properties	7,046,171.83	7,102,849.72
Fixed assets	26,300,301,925.22	26,939,490,554.19
Construction in progress	1,981,341,959.25	1,729,803,028.43
Intangible assets	5,023,311,865.48	5,209,619,313.49
Development expenditure	596,010,178.96	814,745,464.20
Goodwill	9,804,394.00	9,804,394.00
Long-term deferred expenses	12,981,317.76	14,327,639.90
Deferred tax assets	1,514,905,938.33	1,542,600,534.93
Other non-current assets	-	-
Total non-current assets	49,099,443,679.49	48,010,336,867.95
TOTAL ASSETS	95,283,479,873.92	97,617,053,590.38
Current liabilities:		
Short-term loans	359,580,000.00	229,580,000.00
Notes payable	16,698,989,559.58	13,430,543,294.23
accounts payable	14,006,202,179.77	18,905,725,271.50

Advances from customers	-	2,315,641,685.78
Contract liability	2,377,452,671.30	-
Payroll payable	718,849,463.37	1,046,335,781.91
Taxes payable	366,104,658.60	889,092,442.80
Other payables	4,234,547,227.57	4,809,918,141.45
Non-current liabilities within one year		
Other current liabilities	3,986,758,177.03	4,253,942,761.77
Total current liabilities	42,748,483,937.22	45,880,779,379.44
Non-current liabilities:		
Long-term loans	55,300,000.00	55,300,000.00
Long-term payables	849,964,593.06	857,356,423.71
Long-term payroll payable	49,752,099.97	45,932,000.00
Estimated liabilities	3,378,716,063.75	3,352,580,839.28
Deferred Revenue	3,273,453,436.77	3,194,291,079.21
Deferred tax liabilities	346,959,239.49	296,742,890.29
Other non-current liabilities		
Total non-current liabilities	7,954,145,433.04	7,802,203,232.49
Total liabilities	50,702,629,370.26	53,682,982,611.93
Owners' equity (or Shareholders' equity):		
Share capital	4,802,648,511.00	4,802,648,511.00
Capital reserves	5,366,097,594.66	5,366,097,594.66
Other comprehensive income	130,993,670.48	139,994,580.19
Special reserves	79,286,671.29	47,076,242.71
Surplus reserves	2,401,324,255.50	2,401,324,255.50
Retained earnings	31,902,249,448.23	31,271,171,559.60
Equity attributable to owners	44,682,600,151.16	44,028,312,743.66
Minority interests	-101,749,647.50	-94,241,765.21
Total Owners' equity (or Shareholders' equity)	44,580,850,503.66	43,934,070,978.45
Liabilities and owners' equity (or shareholders' equity) in total	95,283,479,873.92	97,617,053,590.38

Legal person: Zhang Baolin

Chief financial officer: Zhang Deyong

The head of accounting department: Chen Jianfeng

2. Balance Sheet

In RMB Yuan

Account	Ending Balance	Opening Balance
Current assets:		
Cash	10,233,025,527.91	6,563,020,335.56
Trading financial assets	160,460,000.00	184,245,000.00
Notes receivable	17,376,487,325.63	25,837,326,483.09
Accounts receivable	5,867,427,148.02	5,094,270,365.72
Prepayments	831,591,942.08	403,105,316.24
Other receivables	945,884,133.95	2,597,314,344.40
Inventories	2,757,614,110.93	1,735,570,691.28
Contract assets	1,700,909,516.60	-
Holding assets for sale		
Non-current assets due within one year		

Other current assets	761,646,004.23	798,430,035.62
Total current assets	40,635,045,709.35	43,213,282,571.91
Non-current assets:		
Available-for-sale financial assets		
Long-term receivables		
Long-term equity investments	16,272,739,012.99	16,052,319,271.82
Investment in other equity instruments	724,309,400.00	724,309,400.00
Investment properties		
Fixed assets	19,935,291,662.88	20,301,231,002.41
Construction in progress	1,789,399,376.53	1,545,211,000.22
Intangible assets	3,889,820,012.97	4,030,438,649.57
Development expenditure	476,130,218.41	431,774,377.27
Goodwill		
Long-term deferred expenses	8,658,461.84	9,719,259.84
Deferred tax assets	1,312,252,438.05	1,318,884,054.48
Other non-current assets	-	-
Total non-current assets	44,408,600,583.67	44,413,887,015.61
TOTAL ASSETS	85,043,646,293.02	87,627,169,587.52
Current liabilities:		
Short-term loans	29,580,000.00	29,580,000.00
Notes payable	15,012,605,826.64	11,983,445,725.06
accounts payable	11,698,344,640.50	15,601,432,751.74
Advances from customers	-	1,870,992,349.08
Contract liability	2,180,456,274.79	-
Payroll payable	460,546,898.23	641,340,149.30
Taxes payable	222,350,923.75	453,619,905.66
Other payables	3,446,421,152.76	4,301,257,819.04
Holding liabilities for sale		
Non-current liabilities within one year		
Other current liabilities	3,425,541,506.09	3,400,065,879.02
Total current liabilities	36,475,847,222.76	38,281,734,578.90
Non-current liabilities:		
Long-term loans	55,300,000.00	55,300,000.00
Long-term payables	279,973,648.44	285,768,478.89
Long-term payroll payable	20,901,497.32	22,747,000.00
Estimated liabilities	2,548,720,258.99	2,413,434,397.36
Deferred Revenue	2,104,281,518.10	2,135,615,106.85
Deferred tax liabilities	78,207,591.60	81,775,341.60
Other non-current liabilities		
Total non-current liabilities	5,087,384,514.45	4,994,640,324.70
Total liabilities	41,563,231,737.21	43,276,374,903.60
Owners' equity (or Shareholders' equity):		
Share capital	4,802,648,511.00	4,802,648,511.00
Capital reserves	5,014,772,792.87	5,014,772,792.87
Other comprehensive income	259,380,413.58	259,380,413.58

Special reserves	25,391,473.10	19,917,658.63
Surplus reserves	2,401,324,255.50	2,401,324,255.50
Retained earnings	30,976,897,109.76	31,852,751,052.34
Total Owners' equity (or Shareholders' equity)	43,480,414,555.81	44,350,794,683.92
Liabilities and owners' equity (or shareholders' equity) in total	85,043,646,293.02	87,627,169,587.52

3. Consolidated Income Statement of the report term

In RMB Yuan

Account	Current Period	Prior Period
I. Total operating income	11,564,077,463.34	16,007,950,602.50
Operating income	11,564,077,463.34	16,007,950,602.50
Interest income		
Earned premium		
Fee and commission income		
II. Total operating cost	12,722,979,536.56	17,707,550,414.09
Including: Operating cost	10,555,130,992.83	15,204,463,239.37
Tax and surcharges	443,622,963.22	587,353,356.83
Operating expenses	649,836,236.70	875,729,224.29
General and administrative expenses	404,138,581.75	626,499,621.93
R&D expenses	697,946,683.12	455,925,951.99
Financial expenses	-27,695,921.06	-42,420,980.32
Interest expense		
Interest income		
Impairment loss on assets		
Impairment loss on credit		
Add: Other income	57,408,092.65	57,557,097.02
Investment income ('-' represent loss)	1,452,112,755.17	-397,154,020.56
Investment income from associates and from joint venture	-667,413,071.43	-388,909,153.76
Earnings from fair value changes	341,035,600.71	-
Impairment of credit	-2,142,668.54	-3,592,637.73
Asset disposal income	1,354,464.30	-1,633,541.79
III. Operating profit ('-' represent loss)	690,866,171.07	-2,044,422,914.65
Add: Non-operating income	6,811,073.58	9,940,462.40
Less: Non-operating expenses	6,491,243.42	949,871.51
IV. Total profit ('-' represent loss)	691,186,001.23	-2,035,432,323.76
Less: Income tax expense	67,615,994.89	67,508,680.94
V. Net profit ('-' represent net loss)	623,570,006.34	-2,102,941,004.70
I) Net profit from continuing operations	623,570,006.34	-2,102,941,004.70
II) Net profit from discontinued operations		
Net profit attributable to owners	631,077,888.63	-2,096,352,326.12
Minority interests	-7,507,882.29	-6,588,678.58
VI. Other comprehensive income, net of tax	-9,000,909.71	260,305,062.54
Total comprehensive income attributable to owners, net of tax	-9,000,909.71	260,305,062.54
I) Other comprehensive income not to be reclassified to profit or loss in	-38,000.00	

subsequent periods		
Change from defined benefit plan	-38,000.00	
Other comprehensive income not to be reclassified to profit or loss under equity method		
II) Other comprehensive income to be reclassified to profit or loss in subsequent periods	-8,962,909.71	260,305,062.54
Other comprehensive income transferable to profit or loss under the equity method		
Changes in fair value from available-for-sale financial assets		
Foreign currency reserve	-8,962,909.71	-27,045,090.37
Other		287,350,152.91
VII. Total comprehensive income	614,569,096.63	-1,842,635,942.16
Total comprehensive income attributable to owners	622,076,978.92	-1,836,047,263.58
Total comprehensive income attributable to minority interest	-7,507,882.29	-6,588,678.58
VIII. Earnings per share:		
I) Basic earnings per share	0.13	-0.44
II) Diluted earnings per share	0.13	-0.44

Legal person: Zhang Baolin

Chief financial officer: Zhang Deyong

The head of accounting department: Chen Jianfeng

4. Income Statement of the report term

In RMB Yuan

Account	Current Period	Prior Period
I. Operating income	10,675,079,250.36	14,441,944,991.72
Less: Operating cost	10,022,777,576.54	13,806,773,684.94
Tax and surcharges	291,774,994.51	483,106,911.75
Operating expenses	470,741,426.98	670,541,870.34
General and administrative expenses	210,786,199.26	347,026,490.13
R&D expenses	699,618,911.59	455,935,285.81
Financial expenses	-31,509,277.08	-44,343,446.15
Interest expense		
Interest income		
Impairment loss on assets		
Impairment loss on credit		
Add: Other income	25,279,321.68	27,829,453.81
Investment income ('-' represent loss)	113,578,786.80	-386,857,266.96
Investment income from associates and from joint venture	-618,249,269.01	-388,909,153.76
Earnings from fair value changes	-23,785,000.00	-
Impairment of credit	-1,493,618.14	-769,683.06
Asset disposal income	-	-1,611,974.75
II. Operating profit ('-' represent loss)	-875,531,091.10	-1,638,505,276.06
Add: Non-operating income	3,519,692.63	8,494,672.83
Less: Non-operating expenses	778,677.68	-511,973.00
III. Total profit('-' represent loss)	-872,790,076.15	-1,629,498,630.23
Less: Income tax expense	3,063,866.43	52,478,793.98
IV. Net profit ('-' represent net loss)	-875,853,942.58	-1,681,977,424.21

I) Net profit from continuing operations	-875,853,942.58	-1,681,977,424.21
II) Net profit from discontinued operations		
V. Other comprehensive income, net of tax		61,858,750.00
I) Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Change from defined benefit plan		
Other comprehensive income not to be reclassified to profit or loss under equity method		
II) Other comprehensive income to be reclassified to profit or loss in subsequent periods		61,858,750.00
Other comprehensive income transferable to profit or loss under the equity method		
Changes in fair value from available-for-sale financial assets		
Foreign currency reserve		
Other		61,858,750.00
VI. Total comprehensive income	-875,853,942.58	-1,620,118,674.21
VII. Earnings per share:		
I) Basic earnings per share	-0.18	-0.35
II) Diluted earnings per share	-0.18	-0.35

5. Consolidated Cash Flow Statement from the beginning of year to the end of report term.

In RMB Yuan

Account	Current Period	Prior Period
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from sale of goods or rendering of services	21,257,466,605.15	20,101,009,864.13
Refunds of taxes	45,969,851.95	130,977,526.05
Cash received relating to other operating activities	386,274,604.44	2,351,463,047.17
Sub-total of cash inflows	21,689,711,061.54	22,583,450,437.35
Cash paid for goods and services	13,417,907,129.60	14,906,195,196.51
Cash paid to and on behalf of employees	1,565,688,589.42	1,732,748,414.84
Cash paid for all types of taxes	1,078,573,272.46	1,046,776,024.48
Cash paid relating to other operating activities	1,472,197,803.54	1,638,942,420.17
Sub-total of cash outflows	17,534,366,795.02	19,324,662,056.00
Net cash flows from operating activities	4,155,344,266.52	3,258,788,381.35
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from return on investments		-
Cash received from investment income	3,628,625.00	-
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	170,091.83	20,000.00
Net cash received from disposal of subsidiaries and other business units		

Cash received relating to other investing activities	-	348,000.00
Sub-total of cash inflows	3,798,716.83	368,000.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	566,554,431.22	1,241,507,566.02
Cash paid for acquisition of investments	13,088,871.00	-
Net cash paid for subsidiaries and other business units		
Cash paid relating to other investing activities	1,524,231,229.20	-
Sub-total of cash outflows	2,103,874,531.42	1,241,507,566.02
Net cash flows from investing activities	-2,100,075,814.59	-1,241,139,566.02
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash received from borrowings	1,420,000,000.00	-
Cash received from the issuance of bonds	150,000,000.00	35,000,000.00
Cash received relating to other financing activities	264,541,204.27	28,195,180.76
Sub-total of cash inflows	1,834,541,204.27	63,195,180.76
Cash repayments of borrowings	20,000,000.00	16,708,100.00
Cash paid for distribution of dividends or profits and interest expenses	9,459,181.50	9,358,472.79
Cash paid relating to other financing activities	498,552,580.58	529,028,452.47
Sub-total of cash outflows	528,011,762.08	555,095,025.26
Net cash flows from financing activities	1,306,529,442.19	-491,899,844.50
IV. EFFECT OF CHANGES IN EXCHANGE RATE ON CASH	-15,306,746.07	16,990,887.83
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	3,346,491,148.05	1,542,739,858.66
Add: Opening balance of cash and cash equivalents	9,360,474,674.89	9,648,153,614.80
VI. CLOSING BALANCE OF CASH AND CASH EQUIVLANT	12,706,965,822.94	11,190,893,473.46

6. Cash Flow Statement from the beginning of year to the end of report term.

In RMB Yuan

Account	Current Period	Prior Period
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from sale of goods or rendering of services	18,868,422,291.72	17,714,720,410.20
Refunds of taxes		
Cash received relating to other operating activities	54,826,509.91	2,039,698,293.41
Sub-total of cash inflows	18,923,248,801.63	19,754,418,703.61
Cash paid for goods and services	12,099,237,602.48	13,537,740,196.23
Cash paid to and on behalf of employees	1,112,718,300.63	1,250,523,925.99

Cash paid for all types of taxes	513,342,838.61	825,010,270.02
Cash paid relating to other operating activities	891,028,153.93	1,679,903,064.63
Sub-total of cash outflows	14,616,326,895.65	17,293,177,456.87
Net cash flows from operating activities	4,306,921,905.98	2,461,241,246.74
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from return on investments		
Cash received from investment income	5,827,791.67	2,175,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows	5,827,791.67	2,175,000.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	527,234,258.30	1,169,656,810.40
Cash paid for acquisition of investments	112,338,871.00	10,000,000.00
Net cash paid for subsidiaries and other business units		
Cash paid relating to other investing activities		
Sub-total of cash outflows	639,573,129.30	1,179,656,810.40
Net cash flows from investing activities	-633,745,337.63	-1,177,481,810.40
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash received from investors		
Cash received from borrowings		
Cash received from the issuance of bonds		
Cash received relating to other financing activities		
Sub-total of cash inflows		
Cash repayments of borrowings		
Cash paid for distribution of dividends or profits and interest expenses	3,171,376.00	4,657,754.49
Cash paid relating to other financing activities	-	-
Sub-total of cash outflows	3,171,376.00	4,657,754.49
Net cash flows from financing activities	-3,171,376.00	-4,657,754.49
IV. EFFECT OF CHANGES IN EXCHANGE RATE ON CASH		
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	3,670,005,192.35	1,279,101,681.85
Add: Opening balance of cash and cash equivalents	6,563,020,335.56	7,310,973,018.99
VI. CLOSING BALANCE OF CASH AND CASH EQUIVLANT	10,233,025,527.91	8,590,074,700.84

II. Notes on financial statement adjustments

1. Since 2020, the first implementation of the new revenue standards, the new lease standards to adjust the first implementation of the financial statements at the beginning of the year .

√Applicable □Not Applicable

Consolidated Balance Sheet

In RMB Yuan

Account	2019.12.31	2020.1.1	Adjustment
Current assets:			
Cash	10,066,171,353.48	10,066,171,353.48	
Trading financial assets	2,419,476,200.00	2,419,476,200.00	
Notes receivable	26,805,635,587.19	26,805,635,587.19	
Accounts receivable	838,314,076.82	838,314,076.82	
Prepayments	623,801,896.07	623,801,896.07	
Other receivables	3,731,755,992.46	269,534,090.37	-3,462,221,902.09
Inventories	3,375,441,488.37	3,375,441,488.37	
Contract assets		3,462,221,902.09	3,462,221,902.09
Holding assets for sale			
Non-current assets due within one year			
Other current assets	1,746,120,128.04	1,746,120,128.04	
Total current assets	49,606,716,722.43	49,606,716,722.43	
Non-current assets:			
Available-for-sale financial assets			
Long-term receivables			
Long-term equity investments	11,008,336,989.09	11,008,336,989.09	
Investment in other equity instruments	734,506,100.00	734,506,100.00	
Investment properties	7,102,849.72	7,102,849.72	
Fixed assets	26,939,490,554.19	26,939,490,554.19	
Construction in progress	1,729,803,028.43	1,729,803,028.43	
Intangible assets	5,209,619,313.49	5,209,619,313.49	
Development expenditure	814,745,464.20	814,745,464.20	
Goodwill	9,804,394.00	9,804,394.00	
Long-term deferred expenses	14,327,639.90	14,327,639.90	
Deferred tax assets	1,542,600,534.93	1,542,600,534.93	
Other non-current assets	-	-	
Total non-current assets	48,010,336,867.95	48,010,336,867.95	
TOTAL ASSETS	97,617,053,590.38	97,617,053,590.38	
Current liabilities:			
Short-term loans	229,580,000.00	229,580,000.00	
Notes payable	13,430,543,294.23	13,430,543,294.23	
Accounts payable	18,905,725,271.50	18,905,725,271.50	
Advances from customers	2,315,641,685.78	-	-2,315,641,685.78
Contract liability		2,315,641,685.78	2,315,641,685.78
Payroll payable	1,046,335,781.91	1,046,335,781.91	
Taxes payable	889,092,442.80	889,092,442.80	

Other payables	4,809,918,141.45	4,809,918,141.45	
Non-current liabilities within one year			
Other current liabilities	4,253,942,761.77	4,253,942,761.77	
Total current liabilities	45,880,779,379.44	45,880,779,379.44	
Non-current liabilities:			
Long-term loans	55,300,000.00	55,300,000.00	
Long-term payables	857,356,423.71	857,356,423.71	
Long-term payroll payable	45,932,000.00	45,932,000.00	
Estimated liabilities	3,352,580,839.28	3,352,580,839.28	
Deferred Revenue	3,194,291,079.21	3,194,291,079.21	
Deferred tax liabilities	296,742,890.29	296,742,890.29	
Other non-current liabilities			
Total non-current liabilities	7,802,203,232.49	7,802,203,232.49	
Total liabilities	53,682,982,611.93	53,682,982,611.93	
Owners' equity (or Shareholders' equity):			
Share capital	4,802,648,511.00	4,802,648,511.00	
Capital reserves	5,366,097,594.66	5,366,097,594.66	
Other comprehensive income	139,994,580.19	139,994,580.19	
Special reserves	47,076,242.71	47,076,242.71	
Surplus reserves	2,401,324,255.50	2,401,324,255.50	
Retained earnings	31,271,171,559.60	31,271,171,559.60	
Equity attributable to owners	44,028,312,743.66	44,028,312,743.66	
Minority interests	-94,241,765.21	-94,241,765.21	
Total Owners' equity (or Shareholders' equity)	43,934,070,978.45	43,934,070,978.45	
Liabilities and owners' equity (or shareholders' equity) in total	97,617,053,590.38	97,617,053,590.38	

Statement of adjustment

On July 5, 2017, the Ministry of Finance revised and issued "Accounting Standards for Business Enterprises No. 14-Revenue" (Caihui [2017] No. 22). According to the requirements of the Ministry of Finance, companies listed at home and abroad at the same time, as well as listed overseas and adopt international Financial reporting standards or corporate accounting standards for companies that prepare financial statements will be implemented from January 1, 2018; other domestic listed companies will be implemented from January 1, 2020; non-listed companies that implement corporate accounting standards will be implemented from 2021. It will take effect on January 1. Due to the revision of the above corporate accounting standards, the company needs to adjust the relevant accounting policies originally adopted.

According to the time stipulated by the Ministry of Finance, the company will implement the new revenue standard from January 1, 2020.

Balance Sheet

In RMB Yuan

Account	2019.12.31	2020.1.1	Adjustment
Current assets:			
Cash	6,563,020,335.56	6,563,020,335.56	
Trading financial assets	184,245,000.00	184,245,000.00	
Notes receivable	25,837,326,483.09	25,837,326,483.09	
Accounts receivable	5,094,270,365.72	5,094,270,365.72	
Prepayments	403,105,316.24	403,105,316.24	
Other receivables	2,597,314,344.40	941,161,145.80	-1,656,153,198.60
Inventories	1,735,570,691.28	1,735,570,691.28	
Contract assets	-	1,656,153,198.60	1,656,153,198.60
Holding assets for sale			

Non-current assets due within one year			
Other current assets	798,430,035.62	798,430,035.62	
Total current assets	43,213,282,571.91	43,213,282,571.91	
Non-current assets:			
Available-for-sale financial assets			
Long-term receivables			
Long-term equity investments	16,052,319,271.82	16,052,319,271.82	
Investment in other equity instruments	724,309,400.00	724,309,400.00	
Investment properties			
Fixed assets	20,301,231,002.41	20,301,231,002.41	
Construction in progress	1,545,211,000.22	1,545,211,000.22	
Intangible assets	4,030,438,649.57	4,030,438,649.57	
Development expenditure	431,774,377.27	431,774,377.27	
Goodwill			
Long-term deferred expenses	9,719,259.84	9,719,259.84	
Deferred tax assets	1,318,884,054.48	1,318,884,054.48	
Other non-current assets	-	-	
Total non-current assets	44,413,887,015.61	44,413,887,015.61	
TOTAL ASSETS	87,627,169,587.52	87,627,169,587.52	
Current liabilities:			
Short-term loans	29,580,000.00	29,580,000.00	
Notes payable	11,983,445,725.06	11,983,445,725.06	
Accounts payable	15,601,432,751.74	15,601,432,751.74	
Advances from customers	1,870,992,349.08	-	-1,870,992,349.08
Contract liability	-	1,870,992,349.08	1,870,992,349.08
Payroll payable	641,340,149.30	641,340,149.30	
Taxes payable	453,619,905.66	453,619,905.66	
Other payables	4,301,257,819.04	4,301,257,819.04	
Holding liabilities for sale			
Non-current liabilities within one year			
Other current liabilities	3,400,065,879.02	3,400,065,879.02	
Total current liabilities	38,281,734,578.90	38,281,734,578.90	
Non-current liabilities:			
Long-term loans	55,300,000.00	55,300,000.00	
Long-term payables	285,768,478.89	285,768,478.89	
Long-term payroll payable	22,747,000.00	22,747,000.00	
Estimated liabilities	2,413,434,397.36	2,413,434,397.36	
Deferred Revenue	2,135,615,106.85	2,135,615,106.85	
Deferred tax liabilities	81,775,341.60	81,775,341.60	
Other non-current liabilities			
Total non-current liabilities	4,994,640,324.70	4,994,640,324.70	
Total liabilities	43,276,374,903.60	43,276,374,903.60	
Owners' equity (or Shareholders' equity):			
Share capital	4,802,648,511.00	4,802,648,511.00	
Capital reserves	5,014,772,792.87	5,014,772,792.87	

Other comprehensive income	259,380,413.58	259,380,413.58	
Special reserves	19,917,658.63	19,917,658.63	
Surplus reserves	2,401,324,255.50	2,401,324,255.50	
Retained earnings	31,852,751,052.34	31,852,751,052.34	
Total Owners' equity (or Shareholders' equity)	44,350,794,683.92	44,350,794,683.92	
Liabilities and owners' equity (or shareholders' equity) in total	87,627,169,587.52	87,627,169,587.52	

Statement of adjustment

On July 5, 2017, the Ministry of Finance revised and issued "Accounting Standards for Business Enterprises No. 14-Revenue" (Caihui [2017] No. 22). According to the requirements of the Ministry of Finance, companies listed at home and abroad at the same time, as well as listed overseas and adopt international Financial reporting standards or corporate accounting standards for companies that prepare financial statements will be implemented from January 1, 2018; other domestic listed companies will be implemented from January 1, 2020; non-listed companies that implement corporate accounting standards will be implemented from 2021. It will take effect on January 1. Due to the revision of the above corporate accounting standards, the company needs to adjust the relevant accounting policies originally adopted.

According to the time stipulated by the Ministry of Finance, the company will implement the new revenue standard from January 1, 2020.

2. Since 2020, the first implementation of the new income criteria, the new lease criteria retroactive adjustment of the preliminary comparison data.

☐Applicable ☒Not Applicable

III. Auditors' Report

Whether the first quarter report has been audited

☐ Yes ☒No

The first quarter report has not been audited.