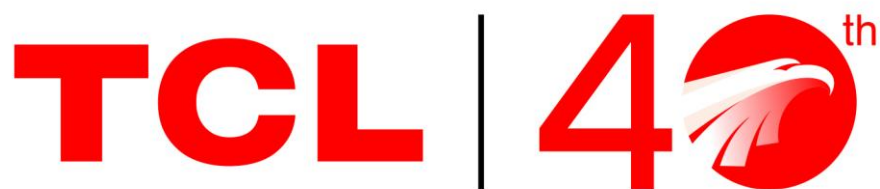


TCL 科技集团股份有限公司
TCL Technology Group Corporation



FIRST QUARTERLY REPORT 2021

27 April 2021

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of TCL Technology Group Corporation (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

All the Company’s directors have attended the Board meeting for the review of this Report, and all the Company’s supervisors have attended the meeting of the Supervisory Committee for the review of this Report

Mr. Li Dongsheng, the Chairman of the Board, Ms. Du Juan, the person-in-charge of financial affairs (Chief Financial Officer), and Mr. Xi Wenbo, the person-in-charge of the financial department, hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

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

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Part II Key Corporate Information

I Key Financial Information

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

Yes No

	Q1 2021	Q1 2020	Change (%)
Revenue (RMB)	32,143,561,563	13,742,129,162	133.91%
Net profit attributable to the company's shareholders (RMB)	2,403,729,935	408,125,802	488.97%
Net profit attributable to the company's shareholders before non-recurring gains and losses (RMB)	2,123,056,041	-109,881,642	2032.13%
Net cash generated from/used in operating activities (RMB)	8,003,201,979	2,299,183,493	248.09%
Basic earnings per share (RMB/share)	0.1781	0.0316	463.61%
Diluted earnings per share (RMB/share)	0.1713	0.0302	467.22%
Weighted average return on equity (%)	7.07%	1.35%	5.72%
	31 March 2021	31 December 2020	Change (%)
Total assets (RMB)	274,693,487,644	257,908,278,887	6.51%
Owners' equity attributable to the company's shareholders (RMB)	35,224,374,002	34,107,795,454	3.27%

The total share capital at the end of the last trading session before the disclosure of this Report:

Total share capital at the end of the last trading session before the disclosure of this Report (share)	14,030,788,362
Fully diluted earnings per share based on the latest total share capital above (RMB/share)	0.1713

Non-recurring gains and losses:

Unit: RMB

Item	Q1 2021	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-14,935,921	Not applicable
Government subsidies charged to current profit or loss (exclusive of government subsidies given in the Company's ordinary course of business at fixed quotas or amounts as per the government's uniform standards)	302,185,840	Not applicable

Gain or loss on fair-value changes in held-for-trading and derivative financial assets and liabilities & investment income from disposal of held-for-trading and derivative financial assets and liabilities and other debt investments (exclusive of effective portion of hedges that arise in the Company's ordinary course of business)	25,600,678	Not applicable
Non-operating income and expense other than the above	113,649,860	Not applicable
Less: Corporate income tax	73,184,923	Not applicable
Non-controlling interests (net of tax)	72,641,640	Not applicable
Total	280,673,894	--

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

Applicable Not applicable

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

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

Unit: share

Number of ordinary shareholders at the period-end	570,474	Number of preference shareholders with resumed voting rights at the period-end (if any)	-			
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge or frozen	
					Status	Shares
Li Dongsheng and his acting-in-concert party	Domestic natural person/general legal person	8.26%	1,158,599,393	610,181,602	Put in pledge by Li Dongsheng	144,000,000
					Put in pledge by Jiutian Liancheng	344,899,521
Huizhou Investment Holding Co., Ltd.	State-owned legal person	5.30%	743,139,840	-	-	-
Wuhan Optics Valley Industrial Investment Co., Ltd.	State-owned legal person	3.65%	511,508,951	511,508,951	-	-
Hong Kong Securities	Foreign legal person	3.26%	457,850,083	-	-	-

Clearing Company Ltd.						
China Securities Finance Corporation Limited	Domestic general legal person	2.66%	373,231,553	-	-	-
Tibet Tianfeng Enterprise Management Co., Ltd.	Domestic general legal person	1.76%	247,284,337	-	-	-
Fang Deji	Domestic natural person	1.47%	206,130,576			
Zhejiang Yiwu Tanzhen Investment Management Partnership (Limited Partnership)—Loyal Valley (Tanzhen) Value China Exclusive Private Securities Investment Fund	Fund, wealth management product, etc.	1.03%	145,169,128			
National Social Security Fund-Portfolio 601	Fund, wealth management product, etc.	0.93%	129,785,014	-	-	-
CITIC Securities—CITIC Bank—CITIC Securities Dividend Value One-Year Mixed Collective Asset Management Plan	Fund, wealth management product, etc.	0.58%	80,906,050	-	-	-
Top 10 unrestricted shareholders						
Name of shareholder	Unrestricted shares held at the period-end	Shares by type				
		Type	Shares			
Huizhou Investment Holding Co., Ltd.	743,139,840	RMB-denominated ordinary stock	743,139,840			
Li Dongsheng and his	548,417,791	RMB-denominated	548,417,791			

acting-in-concert party		d ordinary stock	
Hong Kong Securities Clearing Company Ltd.	457,850,083	RMB-denominated ordinary stock	457,850,083
China Securities Finance Corporation Limited	373,231,553	RMB-denominated ordinary stock	373,231,553
Tibet Tianfeng Enterprise Management Co., Ltd.	247,284,337	RMB-denominated ordinary stock	247,284,337
Fang Deji	206,130,576	RMB-denominated ordinary stock	206,130,576
Zhejiang Yiwu Tanzhen Investment Management Partnership (Limited Partnership)—Loyal Valley (Tanzhen) Value China Exclusive Private Securities Investment Fund	145,169,128	RMB-denominated ordinary stock	145,169,128
National Social Security Fund-Portfolio 601	129,785,014	RMB-denominated ordinary stock	129,785,014
CITIC Securities—CITIC Bank—CITIC Securities Dividend Value One-Year Mixed Collective Asset Management Plan	80,906,050	RMB-denominated ordinary stock	80,906,050
Bank of Communications Co., Ltd.—China Southern Growth Pioneer Mixed Securities Investment Fund	77,368,741	RMB-denominated ordinary stock	77,368,741
Related or acting-in-concert parties among the shareholders above	Being acting-in-concert parties upon the signing of the Agreement on Acting in Concert, Mr. Li Dongsheng and Xinjiang Jiutian Liancheng Equity Investment Partnership (Limited Partnership) (hereinafter referred to as “Jiutian Liancheng”) are the biggest shareholder of the Company with a total of 1,158.5994 million shares.		
Top 10 shareholders involved in securities margin trading (if any)	Shareholders Fang Deji and Zhejiang Yiwu Tanzhen Investment Management Partnership (Limited Partnership)—Loyal Valley (Tanzhen) Value China Exclusive Private Securities Investment Fund held shares in the Company in margin accounts.		

Note: The top 10 shareholders in the table above do not include “The Securities Account of TCL Technology Group Corporation for Repurchases”. As of the end of the Reporting Period, there were 484,206,763 shares in the account.

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

Yes No

No such cases in the Reporting Period.

2. Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable Not applicable

Part III Directors' Report

I. Overview

In the Reporting Period, the rollout of the COVID-19 vaccine and the implementation of relaxed policies contributed to the recovery of the global economy. However, the adjustment of relations among major countries continued to disturb the trade order, increasing the instability of the industrial chain, and accelerating the differentiation and restructuring of the global economic pattern. The manufacturing, as a source of China's economic competitiveness and comparative competitive advantage, will usher in a new stage of development. In the face of the challenges and opportunities, the Company continued its efforts in line with the spirit of “Ramping up, Catching up and Going all out to be A Global Leader”, the requirements of the "9205" strategic development plan and the operating strategy of “improving operating quality and profitability, consolidating advantages and improving disadvantages, accelerating global layout, and driving development via innovation” to promote the two core businesses, namely the semi-conductor display business and the semi-conductor photovoltaic and semi-conductor materials business, to be global leading industries.

In the first quarter of 2021, the Company recorded a revenue of RMB32.144 billion, up by 133.91% year-on-year; a net profit of RMB3.236 billion, up by 10.96 times year-on-year; a net profit attributable to the Company's shareholders of RMB2.404 billion, up by 488.97% year-on-year. TCL CSOT and Zhonghuan Semiconductor had great performance in these two core industries. The semi-conductor display industry had constant improvement in the competition pattern and the supply and demand relationship, resulting in the price rise; the new production line is raising its mass production, and the scale effect and market position are increasing, product portfolio in high-end market and medium-size products is expanded. TCL CSOT recorded a net profit of RMB2.396 billion, up by RMB2.57 billion year-on-year and by 29.12% quarter-on-quarter, including a quarter-on-quarter net profit increase of 52.96% from large-size products, achieving continuously leading efficiency and profitability. The main raw materials in the photovoltaic industry continued to increase in price, and the competition pattern tends to be more complex.

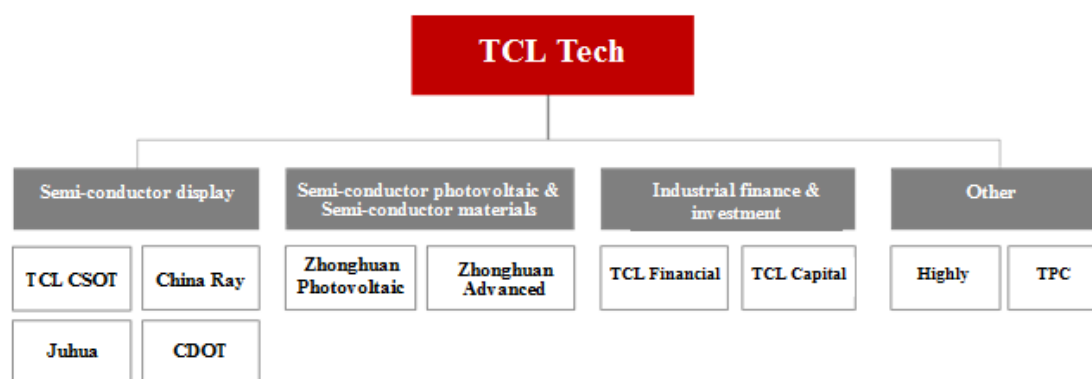
Zhonghuan Semiconductor redefined its corporate development strategy, and reduced the costs, increased the capacity of existing equipment, improved product quality and consistency, and reduced raw material consumption per unit of product through technological innovation and improved manufacturing process. The total capacity of photovoltaic monocrystalline silicon product reached 60GW two months ahead of schedule, the market competitiveness, market share and profitability improved month by month. With continued global semiconductor shortage, Zhonghuan Semiconductor had accelerated growth in the business of raw materials used for power semiconductor products. The 8-12-inch large silicon wafers project ramped up smoothly, with a revenue increase of c. 80% year-on-year. Zhonghuan Semiconductor achieved a net profit of RMB743 million, up by 100.0% year-over-year.

Looking into the rest of 2021, TCL CSOT and Zhonghuan Semiconductor will continue to grow robustly. Phase I of the t7 production line in Shenzhen will reach design capacity this year. 60% shares of Suzhou China Star Optoelectronics (t10) and 100% shares of Suzhou China Star Display (M10) were acquired, which will contribute to revenue of the Company from the second quarter of 2021; Moka International Limited will be included in the consolidated statements of the Company from the second quarter of 2021; t9 production line in Guangzhou will be a new driving force in medium-size field as the Board of Directors has approved it. Zhonghuan Semiconductor accelerated construction of phase V monocrystalline silicon project in Inner Mongolia, and Zhonghuan Phase VI 50GW(G12) project in Yinchuan, Ningxia Province was commenced as planned. In a new round of pattern reshaping driven by technological innovation, industrial ecosystem and ultimate efficiency in the PV industry, Zhonghuan Semiconductor stands out thanks to its accumulated technological advantages. Through the G12 platform and overlapped-cell products' technological strength, the ecological resources of the fast-growing industrial alliance, and the first layout of advantageous production capacity, Zhonghuan Semiconductor is confident to complete the Double Operating Profit Plan in 2021.

TCL Tech. will seize the golden period of global economic pattern adjustment and China's manufacturing development, and march forward to be a global industry leader with a stronger driving force for development!

II. Core Business Analysis

The business structure of the Company primarily consists of the semi-conductor display business, the semi-conductor photovoltaic and semi-conductor materials business, the industrial finance and investment business, as well as the other businesses. The Company will continue to optimize its business structure and further focus its resources on the development of the two core businesses, and achieve the strategic goal of global leadership in the two core businesses, namely the semi-conductor display and the semi-conductor photovoltaic and semi-conductor materials.



(I) Semi-conductor display business

The supply-demand relationship in the semi-conductor display industry was improved, industry consolidation was accelerated, product prices continued to rise, and the overall profitability of the industry was enhanced. **TCL CSOT continued to adhere to established strategies and operating strategy, held the business bottom line of maximizing cost efficiency, continuously improved management capabilities and control systems to consolidate the global industry leadership in terms of efficiency and profitability.** In the Reporting Period, TCL CSOT recorded a product sales area of 8.344 million square meters, up by 17.5% year-on-year; a revenue of RMB17.373 billion, up by 90.0% year-on-year; and a net profit of RMB2.396 billion, up by RMB2.57 billion year-on-year or by 29.12% compared with Q4 2020.

The large-size panel business expanded its scale advantage, further promoted its market position and maintained leading efficiency and profitability in the world. t1, t2 and t6 plants continued to operate at full capacity for strong sales. The t7 plant raised production as scheduled. The shipment of large-size products reached 7.9453 million square meters, up by 15.5%

year-on-year. 12.8133 million pieces were shipped with a year-on-year increase of 7.57%. Sales revenue was RMB12.072 billion, rising by 94.9% year-on-year. Globally, the Company rose to second place in the ranking of market share in TV panels. Besides, it was ranked first regarding the market share in 55-inch products, second in 32-inch, 65-inch and 75-inch products. The shipment of interactive whiteboards jumped to the top across the world. Market shares in commercial displays, such as rail transit products and splicing screen, climbed swiftly.

For the small-size panel business, close attention was paid to enhancement of technical capacity and optimization of product and customer structures. In terms of the t3 LTPS production line, technical capacity was continuously enhanced, product structure was diversified, and cooperation with strategic customers was deepened; the shipment of LTPS mobile panels took fourth place globally, the shipment of LTPS notebook panels was ranked second in the world, with continuous robust growth. The t4 production line of flexible AMOLED displays produced at full capacity in Phase I. The flexible foldable screens grew due to the volume spike of new types launched by brand customers. Breakthroughs in new customers will be made further as equipment for Phases II and III are being moved in. In the Reporting Period, due to the significant increase in fixed costs driven by the expansion of new production lines and seasonal factors, the performance of small-size panel business slightly declined quarter on quarter, and the Company actively improved its operational benefits through product structure optimization and maximizing cost reduction. In the Reporting Period, the shipment of t3 and t4 reached 398,700 square meters, up by 81.2% year-on-year; 25.8972 million pieces were shipped with a year-on-year increase of 55.1%. The revenue from the small-size panel business amounted to RMB5.30 billion, increasing by 79.8% year-on-year.

The medium-sized panel business had fast improved comprehensive competitiveness and became a new driving force for the growth of TCL CSOT. To grasp the market opportunities brought by emerging application scenarios and demand of performance upgrade, and to enhance TCL CSOT's market share and competitive advantage in medium-sized displays, the Company rapidly implemented its medium-sized panel business strategy and completed its reserve in technology, product and customer, and as a result, successfully introduced multiple world famous brands of high-end notebooks, tablets and vehicle displays. Based on the existing products, R&D

and customer base, the 8.6 generation oxide semiconductor new display device production line (t9 plant) project was quickly built to expand capacity for the medium-sized product market and customers, further diversified the e-sports displays, high-end notebooks, tablets, and vehicle displays and commercial displays. The Company accelerated the upgrade from a global leader in large-size display industry to a global leader in full-size display industry by leveraging its advantages in low-power consumption, high refresh rate, wide color gamut and other technological areas.

Looking into the future, the long-term prospects of the semi-conductor display industry are promising, TCL CSOT continued growth in scale and strengthened its efficiency advantages. The concentration of LCD industry is improved and leading enterprises have developed a significant industry barrier. TCL CSOT's market share and competitive advantage will continue to improve significantly over the next 12 quarters as the takeover of t10 plant is completed, the t7 plant continues its capacity ramp-up, phases II and III of the t4 plant are accelerated, and construction of t9 plant starts. The Company will continuously optimize product and revenue structures, implement strategic layout of high-end products, and enhance the scale and overall competitiveness of full-size products to drive its sustainable and quality progress.

(II) Semi-conductor photovoltaic and semi-conductor materials

The year 2021 marks the start of ownership reform of Zhonghuan Semiconductor. **The company updated the "9205" development strategic plan, which clarifies the overall goal of "global leading strategy for new energy materials and catching up strategy for semiconductor materials"**, and accelerated the renewal of operations and improved organizational vitality, optimized industrial layout, consolidated advantages and improved disadvantages, and improved operating quality and profitability. In the Reporting Period, Zhonghuan Semiconductor accelerated the

enhancement of G12 product technology and overlapped-cell modules technology barriers and industrialization process, expand the leading edge of silicon wafer for power semiconductor products, and accelerate the increase of the production capacity of silicon wafer for IC products. It recorded a revenue of RMB7.46 billion, up by 65.23% year-on-year; a net profit of RMB743

million, up by 100.0% year-on-year.

In terms of semi-conductor photovoltaic, Zhonghuan Semiconductor grasped the golden opportunity of industry development and accelerated the expansion from technology leadership to advanced capacity scale leadership and industrial chain ecology leadership. Focusing on the development and integration of two platform-level technologies, namely G12 large-size silicon wafers and high-efficiency overlapped-cell modules, and leveraging Industry 4.0 and lean intelligent manufacturing, the company took advantage of product and technology to enhance industrial competitiveness.

In terms of photovoltaic materials, the company's G12 monocrystalline silicon and silicon wafers in the Reporting Period gradually highlighted its technical advantages, product sales and earnings grew month by month, and the company's advanced production capacity entered a period of rapid growth. Phase V crystal production capacity in Inner Mongolia's is climbing as scheduled; following the start of operation of the DW-cut ultra-thin silicon wafer project in Tianjin, for the Inner Mongolia Zhonghuan Solar Phase II 25GW(G12) wafer project, the first batch of process equipment arrived at the plant, and commissioning was completed at the end of February, and this project is expected to start production in April 2021 and reach design capacity within the year; the construction of the 50GW(G12) intelligent factory project launched in Yinchuan started. In addition, through a new round of technical reform and manufacturing methods improvement, Zhonghuan Semiconductor economically increased the theoretical unit capacity of existing equipment and the actual capacity during the Reporting Period, which jointly facilitated the total monocrystalline PV silicon capacity to be more than 60GW 2 months ahead of the original plan and effectively reduced the unit investment cost of the company's advanced capacity.

Moreover, the technical reform and manufacturing methods improvement have effectively improved product quality and consistency, reduced raw material consumption per unit of product, and continuously reduced operating costs. As a result, profits on the manufacturing side increased by more than RMB155 million in the first quarter, absorbing to some extent the impact of the price increase of raw and auxiliary material during the Reporting Period. Relevant technological innovation and the continued application of Industry 4.0 in the company's operation scenarios and business processes will bring sustained contributions to the production and sales scale and operating

results in the PV materials segment throughout the year.

In terms of photovoltaic cells and modules, Zhonghuan Semiconductor continuously performed R&D of module technology for the overlapped-cell 3.0 production line and PERC3.0 cell technology, collaborated with domestically leading G12 PERC cell manufacturers in investing resources for new technology R&D to improve the cost performance of overlapped-cell module products and achieve the differentiating competitiveness of the final products. The capacity turned 5GW/year at the end of the Reporting Period. In the Reporting Period, based on the intellectual property rights and R&D capacities of MAXEON in IBC cells and components and overlapped-cell modules, the company further built up its manufacturing system of cells and components as well as surface and distributed power stations worldwide and improved overseas industrial layout and global supply chain system.

In terms of semi-conductor materials business, Zhonghuan Semi-conductor strengthened product technology development and industrial capacity building, and improved product structure to meet the differentiating needs of strategic customers.

In the Reporting Period, benefiting from the inadequate supply in global and Chinese semiconductor markets and the improvement of its competitiveness, Zhonghuan Semiconductor increased revenue from silicon wafers by c. 80% year-on-year. Dominated by 5-inch, 6-inch and 8-inch silicon wafers for power semiconductor products, the segment growth accelerated, it was at a leading position and had brand recognition in the domestic market in terms of production and sales scale, product diversity, product quality and product certification speed; the production and sales scale of the dominant 8-inch and 12-inch silicon wafers for IC products grew fast, and verification of strategic customers at home and abroad accelerated. The 8-12-inch large silicon wafer project for integrated circuits in Yixing, Jiangsu Province is raising capacity smoothly and a short supply situation has occurred, laying the market foundation for continued capacity release in 2021. By actively expanding global marketing and service capabilities, actively building market channel networks in Europe, Japan, Taiwan and other regions where the semiconductor businesses cluster, creating technical support platforms, and strengthening global system service capabilities, Zhonghuan Semiconductor achieved 30% overseas sales of materials business in the first quarter of 2021.

Looking into the rest of 2021, Zhonghuan Semiconductor will increase investment and asset restructuring of Inner Mongolia base, Tianjin base and Jiangsu base of Zhonghuan Advanced, orderly promote the coverage of the company's products for power semiconductors chips and integrated circuit chips of all kind; As the company maintains the domestic and global leadership of Zhonghuan Advanced in power semi-conductor chips of all kinds, it will further improve service capability for customers with the advanced production process and to raise further the market share in this area.

(III) Industrial Finance and Investment Business

TCL Capital seeks investment opportunities in key fields of high-tech industries, including new display, semi-conductor industry chain, as well as key materials and process equipment. These investments took a balanced approach to promote technology development and derive economic benefits. By the end of the Reporting Period, the AUM of TCL Capital exceeded RMB9 billion, and 114 projects were invested cumulatively. Currently, it holds the stake of CATL, DKEM, Cambricon, Newtouch Software, Petro-king Oilfield, ZJBC, HyUnion Holding and other listed companies; as for Admiralty Harbour Capital, the investment banking and asset management business grew steadily and it has issued and underwritten 9 bonds and 2 debt management projects. China Innovative focused on industrial chain investment opportunities related to the Company's two core businesses, and has invested in more than 110 listed companies cumulatively with a steady growth in performance.

In the Reporting Period, the finance team focused on the funding needs of the Company's key projects, strengthened the active management of liquidity and currency risk, and gradually satisfied financial needs of business globalization to support the core businesses of the Company to achieve global leadership.

Part IV Significant Events

I Major Changes of Main Items in Financial Statements and Financial Indicators within the Reporting Period, as well as the Reasons for the Changes

Unit: RMB

Balance sheet items	31 March 2021	31 December 2020	Change (%)	Reasons for the Changes
Derivative financial assets	219,179,859	453,578,245	-51.7	Decrease in derivatives investments
Notes receivable	1,052,967,190	595,685,338	76.8	Increase in revenue
Prepayments	1,824,063,319	1,355,653,454	34.6	Increase in prepayments to suppliers
Other receivables	8,465,195,129	2,793,640,153	203.0	Increase in receivables in relation to investments
Borrowings from central bank	668,442,302	469,834,291	42.3	Increase in borrowings received by TCL Tech Finance Co., Ltd. from the central bank
Held-for-trading financial liabilities	1,368,835,184	527,901,041	159.3	Increase in financial products
Derivative financial liabilities	174,841,937	384,903,731	-54.6	Decrease in derivatives investments
Taxes and levies payable	979,478,482	670,058,792	46.2	Increase in earnings
Long-term payables	565,351,943	1,280,299,665	-55.8	Effect of the new accounting standard governing leases
Other comprehensive income	-297,310,404	-145,573,093	-104.2	Foreign currency translation differences
Income statement items	Q1 2021	Q1 2020	Change (%)	Reasons for the Changes
Revenue	32,143,561,563	13,742,129,162	133.9	Increase in revenue and consolidation of Zhonghuan Electronics
Cost of sales	25,383,357,989	12,743,745,923	99.2	Increase in revenue and consolidation of Zhonghuan Electronics
Taxes and levies	106,853,638	38,902,775	174.7	Increase in earnings and consolidation of Zhonghuan Electronics
Selling expense	330,230,062	159,592,940	106.9	Increase in revenue and consolidation of Zhonghuan Electronics

Administrative expense	763,004,335	321,790,541	137.1	Increase in business and consolidation of Zhonghuan Electronics
R&D expense	1,540,240,528	837,453,524	83.9	Increase in R&D investments and consolidation of Zhonghuan Electronics
Finance costs	740,010,321	384,913,273	92.3	Increase in financings and consolidation of Zhonghuan Electronics
Other income	343,452,869	620,518,501	-44.7	Decrease in government subsidies
Gain on changes in fair value	-292,943,771	-205,634,246	-42.5	Changes in the fair value of derivatives
Credit impairment loss ("-" for loss)	-31,736,912	-7,478,551	324.4	Increase in impairment loss on loans and advances to customers
Income tax expense	487,257,128	25,846,940	1,785.2	Increase in operating profit and consolidation of Zhonghuan Electronics
Net profit attributable to non-controlling interests	831,927,064	-137,547,929	704.8	Increase in net profit and consolidation of Zhonghuan Electronics
Cash flow statement items	Q1 2021	Q1 2020	Change (%)	Reasons for the Changes
Net cash generated from/used in operating activities	8,003,201,979	2,299,183,493	248.1	Increase in revenue and consolidation of Zhonghuan Electronics
Net cash generated from/used in financing activities	2,657,860,614	7,670,463,871	-65.3	Loan repayment and increase in the interest in Zhonghuan Semiconductor in the Reporting Period

II Progress, Influence and Solutions with regard to Significant Events

Summary of the significant event	Disclosure date	Index to the related announcement
Announcement on the Completion of the Non-Deal Transfer under the Third Global Partner Plan	22 January 2021	http://www.cninfo.com
Voluntary Announcement on the Increase in the Interest in Tianjin Printronics Circuit	4 February 2021	

Corporation	
Announcement on the Progress on the Acquisition of a 60% Interest in Samsung Suzhou LCD Co. Ltd. and the 100% Interest in Samsung Display Suzhou Co., Ltd.	8 February 2021
Voluntary Announcement on the Increase in the Interest in Tianjin Printronics Circuit Corporation	17 March 2021
Voluntary Announcement on the Increase in the Interest in Tianjin Zhonghuan Semiconductor Co., Ltd.	18 March 2021

Progress of any share repurchase:

Applicable Not applicable

Progress on reducing the repurchased shares by means of centralized bidding:

Applicable Not applicable

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

Applicable Not applicable

IV Financial Investments

1. Securities Investments

Unit: RMB'0,000

Security type	Security code	Security name	Initial investment cost	Measurement method	Beginning carrying amount	Gain/loss on fair-value changes in the Reporting Period	Cumulative fair-value changes recorded in equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in the Reporting Period	Ending carrying amount	Accounting title	Funding source
Bank's wealth management product	Not applicable	Sea Gull Collective Capital Trust Plan No. 2	20,000	Fair value	-	260	-	20,000	-	260	20,260	Held-for-trading financial assets	Self-funded
Convertible	Not applicable	Convertible bonds of	115,077	Fair value	-	-	-	115,077	103,005	1,046	12,072	Held-for-trading	Self-funded

bonds	cable	Bank of Shanghai										financial assets	
Stock	0860.HK	Apollo	24,336	Fair value	17,847	-	-12,801	-	-	-	11,637	Investments in other equity instruments	Self-funded
Tier 2 capital debt	Not applicable	20 China CITIC Bank Tier 2	10,000	Amortized cost	10,148	-	-	-	-	95	10,244	Debt investments	Self-funded
Asset management plan	Not applicable	Yuanheng FOF Single Asset Management Plan No. 1	10,000	Fair value	10,040	89	-	-	-	89	10,129	Held-for-trading financial assets	Self-funded
Bonds	USG 9T27 HA D62	Vedanta Resources	8,337	Fair value	-	-213	-	8,337	-	-213	8,251	Held-for-trading financial assets	Self-funded
Bonds	XS2 2939 1828 5	Easy Tactic Ltd	7,890	Fair value	-	272	-	7,890	-	272	8,221	Held-for-trading financial assets	Self-funded
Bonds	USG 9328 DA M23	Vedanta Resources Ltd	7,541	Fair value	-	45	-	7,541	-	302	7,641	Held-for-trading financial assets	Self-funded
Bonds	US7 1654 QCG 55	Petroleos Mexicanos	6,677	Fair value	7,019	-165	-	-	-	46	6,902	Held-for-trading financial assets	Self-funded
Bonds	XS1 6426 8667 6	Softbank Group Corp	6,969	Fair value	6,704	41	-	-	-	265	6,793	Held-for-trading financial assets	Self-funded
Other securities investments held at the period-end			585,818	--	499,197	-19,391	6,841	112,409	333,493	1,321	305,524	-	--
Total			802,646	--	550,954	-19,060	-549	271,254	436,498	3,484	407,673	--	--
Disclosure date of the board announcement approving the securities			12 December 2020										

investments	
Disclosure date of the general meeting announcement approving the securities investments (if any)	29 December 2020

2. Investments in Derivative Financial Instruments

Funding source	Mostly foreign-currency revenue
Legal matters involved (if applicable)	Not applicable
Disclosure date of the board announcement approving the derivative investments (if any)	28 April 2018
Analysis of risks and control measures associated with derivative investments held in Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>In order to effectively manage the exchange and interest rate risks of foreign currency assets, liabilities and cash flows, the Company, after fully analyzing the market trend and predicting the operation (including orders and capital plans), adopts forward foreign exchange contracts, options and interest rate swaps to avoid future exchange rate and interest rate risks. As its business scale changes subsequently, the Company will adjust the exchange rate risk management strategy according to the actual market conditions and business plans.</p> <p>Risk analysis:</p> <ol style="list-style-type: none"> 1. Market risk: the financial derivatives business carried out by the Group belongs to hedging and trading business related to main business operations, and there is a market risk of loss due to the fluctuation of underlying interest and exchange rates, which lead to the fluctuation of prices of financial derivatives; 2. Liquidity risk: the derivatives business carried out by the Group is an over-the-counter transaction operated by a financial institution, and there is a risk of loss due to paying fees to the bank for the operations of evening up or selling the derivatives below the buying prices; 3. Performance risk: the Group conducts the derivative business based on rolling budgets for risk management, and there is a risk of performance failure due to deviation between the actual operating results and budgets; 4. Other risks: in the case of specific business operations, if the operator fails to finish the prescribed procedures for report or approval, or fails to record the financial derivative business information accurately, timely and completely, it may result in loss of derivative business or trading opportunities. Moreover, if the trading operator fails to fully understand the terms of transaction contracts or product information, the Group will face the legal risks and transaction losses therefrom. <p>Measures taken for risk control:</p>

	<p>1. Basic management principles: the Group strictly follows the hedging principle and the main purpose of locking costs and avoiding risks. It is required that the financial derivatives business to be carried out matches the variety, size, direction and duration of spot goods, and no speculative trading should be involved. In the selection of hedging instruments, only simple financial derivatives that are closely related to the main business operation and meet the requirements of hedge accounting treatment should be selected, and avoid complex business that exceeds the prescribed business scope or is difficult to recognize in terms of risk and pricing;</p> <p>2. The Group has formulated a special risk management system tailored to the risk characteristics of the financial derivatives business, covering all key aspects such as pre-emptive prevention, in-process monitoring and post-processing. Professional personnel are rationally arranged for investment decision-making, business operations and risk control. Investment participants are required to fully understand the risks of financial derivatives investment and strictly implement the business operations and risk management systems of derivatives. Before starting the derivatives business, the holding company must submit to the management department of the Group detailed business reports including its internal approval, main product terms, operational necessity, preparations, risk analysis, risk management strategy, fair value analysis and accounting methods, and special summary reports on business operated. Operations can be implemented only after getting opinions from the professional department of the Group;</p> <p>3. Relevant departments should track the changes in the open market price or fair value of financial derivatives, timely assess the risk exposure changes of invested financial derivatives, and make reports to the board of directors on business development;</p> <p>4. When the combined impairment of the fair value of derivatives and changes in the value of the assets (if any) used for risk hedging by the Group results in a total loss or floating loss amounting to 10% of the recently audited net assets of the Company, and the absolute amount exceeds RMB10 million, the Group will disclose it in a timely manner.</p>
<p>Changes in market prices or fair value of derivative investments in Reporting Period (fair value analysis should include measurement method and related assumptions and parameters)</p>	<p>With the rapid expansion of overseas sales, the Company keeps following the above rules in the operation of forward foreign exchange contracts, interest rate swap contracts and futures contracts to avoid and hedge foreign exchange risks arising from operation and financing. It saw a net gain of RMB91.02 million for the Reporting Period. The fair value of derivatives is determined by real-time quoted price of the foreign exchange market, based on the difference between the contractual price and the forward exchange rate quoted immediately in the foreign exchange market on the balance sheet date.</p>
<p>Major changes in accounting policies and specific accounting principles adopted for derivative investments in Reporting Period compared to last reporting period</p>	<p>No significant change</p>
<p>Opinion of independent directors on derivative investments and risk control</p>	<p>In view of the fact that certain raw materials of the core business of the Company are purchased overseas, a wide range of settlement currencies is involved. The Company reduces exchange losses and locks transaction costs by reasonable financial derivatives, which helps to reduce risk</p>

	control costs and improve company competitiveness. Risks are effectively controlled as the Company has taken series of measures such as conducting a rigorous internal evaluation for the operation of financial derivatives business, establishing a corresponding regulatory mechanism, formulating reasonable accounting policies and specific accounting principles, setting limits for risk exposure management, and operating simple financial derivatives. The contracting agent for financial derivatives business of the Company is a sound financial agent with good credit standing. The financial derivatives transactions carried out by the Company in Q1 2021 are closely related to the daily operation needs of the Company with controllable risks. The business is in line with the interests of minority shareholders of the company and the relevant laws and regulations.
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Positions of derivative investments at the period-end:

Unit: RMB'0,000

Type of contract	Beginning amount		Ending amount		Gain/loss in Reporting Period	Ending contractual amount as % of the Company's ending net assets	
	Contractual amount	Actual amount	Contractual amount	Actual amount		Contractual amount	Actual amount
1. Forward forex contracts	1,931,617	59,359	1,627,130	54,962	9,102	17.75	0.60
2. Interest rate swaps	758,846	22,765	764,242	22,927		8.34	0.25
3. Currency swaps	310,520	15,526	98,570	4,928		1.08	0.05
Total	3,000,983	97,650	2,489,942	82,818	9,102	27.17	0.90

V Progress of Projects Financed with Raised Funds

In 2020, the Company carried out a program of asset purchase via share and convertible corporate bonds offering and cash payment and matching funds raising, with the total raised funds amounting to RMB2.6 billion. The raised funds would be used to pay the cash consideration for the acquisition of a 39.95% interest held by Wuhan Industrial Investment in Wuhan CSOT, repay debt and supplement the working capital. As of 10 March 2021, the raised funds had been used up. For further information, please refer to the Announcement on Using up of the Funds Raised via Share and Convertible Corporate Bonds Offering for Asset Purchase and Raising the Matching Funds disclosed by the Company on the media designated for information disclosure.

VI Operating Performance Forecast for H1 2021

Warning of a forecast loss on or a forecast significant year-on-year change in the net profit of H1 2021, as well as explanation of why:

Applicable Not applicable

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

Applicable Not applicable

VIII Cash Entrusted for Wealth Management

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount
Bank's wealth management product	Self-funded	200,033.30	33.30	-
Securities firm's wealth management product	Self-funded	26,000.00	16,000.00	-
Trust plan	Self-funded	20,000.00	20,000.00	-
Other	Self-funded	185,557.43	52,552.23	-
Total		431,590.73	88,585.53	-

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

Applicable Not applicable

Situation where the principal is expectedly irrecoverable or an impairment may be incurred:

Applicable Not applicable

IX Irregularities in the Provision of Guarantees

Applicable Not applicable

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

Applicable Not applicable

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

Date	Place	Way of communication	Type of communication party	Communication party	Main discussions and materials provided	Index to main information communicated
11 March 2021	The Ritz-Carlton Beijing Financial Street	By visit and phone	Institution	JPMorgan, Morgan Stanley, Foresight Fund Management	Inquired about the 2020 performance and development	Log Sheet No. 2021-001 on Investor Relations Activities disclosed by the

				Company, Tru Value Asset Management, China Life Pension Company Limited, Tianhong Asset Management, Dajia Asset Management, Taikang Asset Management, TianAn Life, etc.	planning of TCL Tech.	Company on http://www.cninfo.com.cn dated 15 March 2021
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Part V Financial Statements

I Financial Statements

1. Consolidated Balance Sheet

Prepared by TCL Technology Group Corporation

Unit: RMB

Item	31 March 2021	31 December 2020
Current assets:		
Monetary assets	21,866,755,914.00	21,708,904,743.00
Settlement reserve		
Loans to other banks and financial institutions		
Held-for-trading financial assets	3,802,869,673.00	5,300,045,879.00
Derivative financial assets	219,179,859.00	453,578,245.00
Notes receivable	1,052,967,190.00	595,685,338.00
Accounts receivable	15,672,609,886.00	12,557,614,486.00
Receivables financing	1,608,178,118.00	2,176,743,646.00
Prepayments	1,824,063,319.00	1,355,653,454.00
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	8,465,195,129.00	2,793,640,153.00
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	8,882,549,680.00	8,834,957,692.00
Contract assets	199,410,288.00	183,650,278.00
Assets held for sale	256,938,591.00	360,935,948.00
Current portion of non-current assets	63,050,115.00	
Other current assets	8,952,314,761.00	9,367,055,433.00
Total current assets	72,866,082,523.00	65,688,465,295.00

Non-current assets:		
Loans and advances to customers	997,789,579.00	981,876,228.00
Debt investments	119,904,974.00	119,349,896.00
Other debt investments	154,543,851.00	152,062,601.00
Long-term receivables	699,379,064.00	778,889,309.00
Long-term equity investments	24,340,787,935.00	24,047,036,004.00
Investments in other equity instruments	1,267,383,678.00	1,333,675,630.00
Other non-current financial assets	3,014,285,378.00	3,055,595,097.00
Investment property	1,708,552,761.00	1,664,201,130.00
Fixed assets	94,224,678,564.00	92,829,901,894.00
Construction in progress	36,900,616,376.00	31,508,310,783.00
Productive living assets		
Oil and gas assets		
Right-of-use assets	1,836,520,444.00	
Intangible assets	11,559,900,467.00	10,054,045,032.00
Development costs	1,664,984,199.00	2,103,994,558.00
Goodwill	6,943,264,794.00	6,943,264,794.00
Long-term prepaid expense	2,380,306,309.00	2,536,670,015.00
Deferred income tax assets	1,387,256,553.00	1,578,087,991.00
Other non-current assets	12,627,250,195.00	12,532,852,630.00
Total non-current assets	201,827,405,121.00	192,219,813,592.00
Total assets	274,693,487,644.00	257,908,278,887.00
Current liabilities:		
Short-term borrowings	13,915,672,147.00	12,263,713,979.00
Borrowings from the central bank	668,442,302.00	469,834,291.00
Loans from other banks and financial institutions		
Held-for-trading financial liabilities	1,368,835,184.00	527,901,041.00
Derivative financial liabilities	174,841,937.00	384,903,731.00
Notes payable	6,053,247,077.00	4,725,611,752.00
Accounts payable	20,590,854,151.00	16,468,931,544.00
Advances from customers	62,773,331.00	78,597,459.00
Contract liabilities	2,113,158,334.00	2,004,004,181.00
Financial assets sold under	50,080,208.00	50,080,208.00

repurchase agreements		
Customer deposits and deposits from other banks and financial institutions	3,583,649,744.00	2,850,138,744.00
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	1,769,080,325.00	1,856,664,146.00
Taxes and levies payable	979,478,482.00	670,058,792.00
Other payables	17,390,694,070.00	14,869,433,359.00
Including: Interest payable		
Dividends payable	1,293,099.00	1,293,097.00
Fees and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	12,468,897,969.00	13,429,669,611.00
Other current liabilities	336,370,951.00	366,970,706.00
Total current liabilities	81,526,076,212.00	71,016,513,544.00
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	78,353,685,147.00	73,589,403,308.00
Bonds payable	18,094,160,624.00	18,040,772,610.00
Including: Preference shares		
Perpetual bonds		
Lease liabilities	903,293,868.00	
Long-term payables	565,351,943.00	1,280,299,665.00
Long-term employee benefits payable	27,669,191.00	27,857,583.00
Provisions		
Deferred income	1,208,873,737.00	1,509,867,357.00
Deferred income tax liabilities	2,364,772,001.00	2,386,496,733.00
Other non-current liabilities		
Total non-current liabilities	101,517,806,511.00	96,834,697,256.00
Total liabilities	183,043,882,723.00	167,851,210,800.00

Owners' equity:		
Share capital	14,030,788,362.00	14,030,788,362.00
Other equity instruments	230,240,606.00	230,240,606.00
Including: Preference shares		
Perpetual bonds		
Capital reserves	4,201,713,830.00	5,442,384,608.00
Less: Treasury stock	1,799,696,760.00	1,913,028,859.00
Other comprehensive income	-297,310,404.00	-145,573,093.00
Specific reserve	309,346.00	211,932.00
Surplus reserves	2,452,892,102.00	2,452,892,102.00
General reserve	360,767.00	385,534.00
Retained earnings	16,405,076,153.00	14,009,494,262.00
Total equity attributable to owners of the Company as the parent	35,224,374,002.00	34,107,795,454.00
Non-controlling interests	56,425,230,919.00	55,949,272,633.00
Total owners' equity	91,649,604,921.00	90,057,068,087.00
Total liabilities and owners' equity	274,693,487,644.00	257,908,278,887.00

Legal representative: Li Dongsheng

Person-in-charge of financial affairs: Du Juan

Person-in-charge of the financial department: Xi Wenbo

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	31 March 2021	31 December 2020
Current assets:		
Monetary assets	4,673,557,233.00	2,208,790,335.00
Held-for-trading financial assets	494,026,692.00	1,221,656,698.00
Derivative financial assets	2,850,000.00	
Notes receivable	6,000,000.00	6,000,000.00
Accounts receivable	242,732,754.00	175,787,300.00
Receivables financing		
Prepayments	6,814,091.00	97,962,630.00
Other receivables	25,785,861,592.00	25,555,923,615.00
Including: Interest receivable		
Dividends receivable		
Inventories	889,550.00	5,997,388.00

Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	2,332,646.00	2,332,646.00
Total current assets	31,215,064,558.00	29,274,450,612.00
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	65,369,362,149.00	65,094,459,376.00
Investments in other equity instruments	15,000,000.00	15,000,000.00
Other non-current financial assets	1,275,592,020.00	1,145,021,734.00
Investment property	87,699,827.00	88,686,986.00
Fixed assets	46,296,612.00	46,011,508.00
Construction in progress	5,957,827.00	11,440,567.00
Productive living assets		
Oil and gas assets		
Right-of-use assets	469,533,606.00	
Intangible assets	53,510,468.00	42,310,680.00
Development costs		
Goodwill		
Long-term prepaid expense	32,119,285.00	469,424,698.00
Deferred income tax assets	2,866.00	6,709.00
Other non-current assets		
Total non-current assets	67,355,074,660.00	66,912,362,258.00
Total assets	98,570,139,218.00	96,186,812,870.00
Current liabilities:		
Short-term borrowings	4,583,581,361.00	3,670,230,653.00
Held-for-trading financial liabilities		
Derivative financial liabilities		16,513,000.00
Notes payable		
Accounts payable	242,589,681.00	129,703,459.00
Advances from customers	626,347.00	

Contract liabilities		1,871,994.00
Employee benefits payable	204,396,873.00	220,510,234.00
Taxes and levies payable	7,914,959.00	26,070,786.00
Other payables	27,194,760,921.00	26,377,023,713.00
Including: Interest payable		
Dividends payable	1,292,429.00	1,292,429.00
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	5,216,364,309.00	6,141,029,463.00
Other current liabilities	1,323,541.00	315,970.00
Total current liabilities	37,451,557,992.00	36,583,269,272.00
Non-current liabilities:		
Long-term borrowings	13,353,000,000.00	12,087,500,000.00
Bonds payable	14,130,272,528.00	14,092,345,084.00
Including: Preference shares		
Perpetual bonds		
Lease liabilities	22,890,284.00	
Long-term payables		
Long-term employee benefits payable	21,801,770.00	21,991,372.00
Provisions		
Deferred income	41,864,052.00	42,651,822.00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	27,569,828,634.00	26,244,488,278.00
Total liabilities	65,021,386,626.00	62,827,757,550.00
Owners' equity:		
Share capital	14,030,788,362.00	14,030,788,362.00
Other equity instruments	230,240,606.00	230,240,606.00
Including: Preference shares		
Perpetual bonds		
Capital reserves	9,847,091,192.00	9,846,835,060.00
Less: Treasury stock	1,799,696,760.00	1,913,028,859.00
Other comprehensive income	141,998,219.00	141,998,219.00

Specific reserve		
Surplus reserves	2,250,827,663.00	2,250,827,663.00
Retained earnings	8,847,503,310.00	8,771,394,269.00
Total owners' equity	33,548,752,592.00	33,359,055,320.00
Total liabilities and owners' equity	98,570,139,218.00	96,186,812,870.00

3. Consolidated Income Statement

Unit: RMB

Item	Q1 2021	Q1 2020
1. Total revenues	32,173,945,858.00	13,789,536,228.00
Including: Revenue	32,143,561,563.00	13,742,129,162.00
Interest income	30,384,295.00	47,407,066.00
Insurance premium income		
Fee and commission income		
2. Costs and expenses	28,868,451,833.00	14,493,594,692.00
Including: Cost of sales	25,383,357,989.00	12,743,745,923.00
Interest expense	4,754,960.00	7,195,716.00
Fee and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	106,853,638.00	38,902,775.00
Selling expense	330,230,062.00	159,592,940.00
Administrative expense	763,004,335.00	321,790,541.00
R&D expense	1,540,240,528.00	837,453,524.00
Finance costs	740,010,321.00	384,913,273.00
Including: Interest expense	966,852,847.00	553,121,614.00
Interest income	103,593,808.00	162,367,782.00

Add: Other income	343,452,869.00	620,518,501.00
Return on investment (“-” for loss)	493,372,758.00	694,268,712.00
Including: Share of profit or loss of joint ventures and associates	149,003,152.00	300,625,432.00
Income from the derecognition of financial assets at amortized cost		
Exchange gain (“-” for loss)	-14,384.00	182,919.00
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	-292,943,771.00	-205,634,246.00
Credit impairment loss (“-” for loss)	-31,736,912.00	-7,478,551.00
Asset impairment loss (“-” for loss)	-301,118,508.00	-232,590,984.00
Asset disposal income (“-” for loss)	159,503.00	6,658.00
3. Operating profit (“-” for loss)	3,516,665,580.00	165,214,545.00
Add: Non-operating income	210,942,953.00	141,925,394.00
Less: Non-operating expense	4,694,406.00	10,715,126.00
4. Gross profit (“-” for loss)	3,722,914,127.00	296,424,813.00
Less: Income tax expense	487,257,128.00	25,846,940.00
5. Net profit (“-” for net loss)	3,235,656,999.00	270,577,873.00
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	3,235,656,999.00	270,577,873.00
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	2,403,729,935.00	408,125,802.00
5.2.1 Net profit attributable to non-controlling interests	831,927,064.00	-137,547,929.00
6. Other comprehensive income, net of tax	-180,087,886.00	-201,191,608.00
Attributable to owners of the Company as the parent	-151,737,311.00	-135,977,236.00
6.1 Items that will not be reclassified to profit or loss	-65,621,285.00	-24,540,407.00

6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments	-65,621,285.00	-24,540,407.00
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	-86,116,026.00	-111,436,829.00
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method	11,868.00	8,800,657.00
6.2.2 Changes in the fair value of other debt investments		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges	-75,069,636.00	-31,380,198.00
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	-11,058,258.00	-88,857,288.00
6.2.7 Other		
Attributable to non-controlling interests	-28,350,575.00	-65,214,372.00
7. Total comprehensive income	3,055,569,113.00	69,386,265.00
Attributable to owners of the Company as the parent	2,251,992,624.00	272,148,566.00
Attributable to non-controlling interests	803,576,489.00	-202,762,301.00
8. Earnings per share		
8.1 Basic earnings per share	0.1781	0.0316
8.2 Diluted earnings per share	0.1713	0.0302

Legal representative: Li Dongsheng

Person-in-charge of financial affairs: Du Juan

Person-in-charge of the financial department: Xi Wenbo

4. Income Statement of the Company as the Parent

Unit: RMB

Item	Q1 2021	Q1 2020
1. Revenue	307,619,705.00	277,992,615.00
Less: Cost of sales	229,164,379.00	186,288,369.00
Taxes and levies	3,547,225.00	884,082.00
Selling expense	4,863,172.00	5,539,685.00
Administrative expense	71,791,383.00	44,402,485.00
R&D expense	32,899,759.00	22,086,746.00
Finance costs	401,851,331.00	269,483,384.00
Including: Interest expense	583,166,671.00	403,477,889.00
Interest income	205,588,588.00	134,103,744.00
Add: Other income	1,756,844.00	4,807,000.00
Return on investment (“-” for loss)	294,992,985.00	899,034,332.00
Including: Share of profit or loss of joint ventures and associates	270,571,871.00	265,646,202.00
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	9,486,419.00	81,456,431.00
Credit impairment loss (“-” for loss)	15,695.00	995.00
Asset impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)		
2. Operating profit (“-” for loss)	-130,245,601.00	734,606,622.00
Add: Non-operating income	206,621,894.00	139,294,872.00
Less: Non-operating expense	251,617.00	7,636.00
3. Gross profit (“-” for loss)	76,124,676.00	873,893,858.00
Less: Income tax expense	3,843.00	

4. Net profit (“-” for net loss)	76,120,833.00	873,893,858.00
4.1 Net profit from continuing operations (“-” for net loss)	76,120,833.00	873,893,858.00
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax		
5.1 Items that will not be reclassified to profit or loss		
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments		
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of other debt investments		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for other debt investments		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	76,120,833.00	873,893,858.00
7. Earnings per share		
7.1 Basic earnings per share		

7.2 Diluted earnings per share		
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5. Consolidated Cash Flow Statement

Unit: RMB

Item	Q1 2021	Q1 2020
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	27,034,723,608.00	14,850,100,323.00
Net increase in customer deposits and deposits from other banks and financial institutions	733,511,000.00	-465,489,884.00
Net increase in borrowings from the central bank	198,608,011.00	168,685,969.00
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, fees and commissions received	30,384,295.00	47,407,066.00
Net increase in loans from other banks and financial institutions		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax and levy rebates	1,394,337,857.00	608,001,845.00
Cash generated from other operating activities	1,171,334,830.00	467,981,716.00
Subtotal of cash generated from operating activities	30,562,899,601.00	15,676,687,035.00
Payments for commodities and services	17,145,704,624.00	11,369,283,220.00
Net increase in loans and advances to customers	1,013,946,603.00	-1,555,006,243.00
Net increase in deposits in the central bank and other banks and financial institutions	68,720,062.00	-202,132,448.00
Payments for claims on original		

insurance contracts		
Net increase in loans to other banks and financial institutions		
Interest, fees and commissions paid		
Policy dividends paid		
Cash paid to and for employees	2,018,238,456.00	1,589,132,206.00
Taxes and levies paid	582,590,307.00	844,676,500.00
Cash used in other operating activities	1,730,497,570.00	1,331,550,307.00
Subtotal of cash used in operating activities	22,559,697,622.00	13,377,503,542.00
Net cash generated from/used in operating activities	8,003,201,979.00	2,299,183,493.00
2. Cash flows from investing activities:		
Proceeds from disinvestment	6,373,430,027.00	4,618,844,632.00
Return on investment	125,899,457.00	76,434,103.00
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	18,531,879.00	23,052.00
Net proceeds from the disposal of subsidiaries and other business units		197,487,161.00
Cash generated from other investing activities	6,368,912.00	
Subtotal of cash generated from investing activities	6,524,230,275.00	4,892,788,948.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	7,543,249,643.00	4,982,864,051.00
Payments for investments	9,287,433,997.00	9,033,187,658.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	50,133,413.00	
Subtotal of cash used in investing activities	16,880,817,053.00	14,016,051,709.00
Net cash generated from/used in investing activities	-10,356,586,778.00	-9,123,262,761.00
3. Cash flows from financing activities:		
Capital contributions received	94,900,000.00	2,260,200,000.00

Including: Capital contributions by non-controlling interests to subsidiaries	94,900,000.00	2,260,200,000.00
Borrowings received	16,219,912,408.00	13,646,741,209.00
Cash generated from other financing activities	151,949,228.00	
Subtotal of cash generated from financing activities	16,466,761,636.00	15,906,941,209.00
Repayment of borrowings	10,706,121,604.00	7,266,785,974.00
Interest and dividends paid	1,209,556,374.00	640,411,211.00
Including: Dividends paid by subsidiaries to non-controlling interests	23,055,560.00	26,392,667.00
Cash used in other financing activities	1,893,223,044.00	329,280,153.00
Subtotal of cash used in financing activities	13,808,901,022.00	8,236,477,338.00
Net cash generated from/used in financing activities	2,657,860,614.00	7,670,463,871.00
4. Effect of foreign exchange rates changes on cash and cash equivalents	57,381,895.00	-26,758,509.00
5. Net increase in cash and cash equivalents	361,857,710.00	819,626,094.00
Add: Cash and cash equivalents, beginning of the period	18,208,416,780.00	17,637,742,929.00
6. Cash and cash equivalents, end of the period	18,570,274,490.00	18,457,369,023.00

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	Q1 2021	Q1 2020
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	332,453,923.00	189,757,308.00
Tax and levy rebates		
Cash generated from other operating activities	1,412,864,320.00	8,341,488,901.00
Subtotal of cash generated from operating activities	1,745,318,243.00	8,531,246,209.00
Payments for commodities and services	229,201,172.00	185,587,256.00
Cash paid to and for employees	52,067,664.00	56,588,057.00

Taxes and levies paid	30,416,907.00	8,220,063.00
Cash used in other operating activities	458,037,058.00	316,261,198.00
Subtotal of cash used in operating activities	769,722,801.00	566,656,574.00
Net cash generated from/used in operating activities	975,595,442.00	7,964,589,635.00
2. Cash flows from investing activities:		
Proceeds from disinvestment	1,937,957,138.00	1,365,307,500.00
Return on investment	45,986,638.00	11,669,831.00
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets		
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	1,983,943,776.00	1,376,977,331.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	12,604,273.00	5,391,188.00
Payments for investments	1,376,585,400.00	1,969,900,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	1,389,189,673.00	1,975,291,188.00
Net cash generated from/used in investing activities	594,754,103.00	-598,313,857.00
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings received	6,549,800,000.00	8,612,000,000.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	6,549,800,000.00	8,612,000,000.00
Repayment of borrowings	5,326,842,000.00	4,272,903,033.00
Interest and dividends paid	317,432,328.00	168,428,437.00
Cash used in other financing	13,813,143.00	1,332,082.00

activities		
Subtotal of cash used in financing activities	5,658,087,471.00	4,442,663,552.00
Net cash generated from/used in financing activities	891,712,529.00	4,169,336,448.00
4. Effect of foreign exchange rates changes on cash and cash equivalents	-18,184,949.00	-3,131,768.00
5. Net increase in cash and cash equivalents	2,443,877,125.00	11,532,480,458.00
Add: Cash and cash equivalents, beginning of the period	2,196,283,414.00	3,941,090,221.00
6. Cash and cash equivalents, end of the period	4,640,160,539.00	15,473,570,679.00

II Adjustments to the Financial Statements

1. Adjustments to the Financial Statements at the Beginning of the First Execution Year (2021) of the New Accounting Standard Governing Leases

The Company is required to fill the table below if it first adopted the new accounting standard governing leases in 2021, unless there is no need to adjust the financial statements at the beginning of the year.

Applicable Not applicable

Indicate whether the financial statements at the beginning of the year were adjusted.

Yes No

Consolidated balance sheet:

Unit: RMB

Item	31 December 2020	1 January 2021	Adjustment
Current assets:			
Monetary assets	21,708,904,743.00	21,708,904,743.00	
Settlement reserve			
Loans to other banks and financial institutions			
Held-for-trading financial assets	5,300,045,879.00	5,300,045,879.00	
Derivative financial assets	453,578,245.00	453,578,245.00	
Notes receivable	595,685,338.00	595,685,338.00	
Accounts receivable	12,557,614,486.00	12,557,614,486.00	
Receivables financing	2,176,743,646.00	2,176,743,646.00	
Prepayments	1,355,653,454.00	1,355,653,454.00	

Premiums receivable			
Reinsurance receivables			
Receivable reinsurance contract reserve			
Other receivables	2,793,640,153.00	2,793,640,153.00	
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories	8,834,957,692.00	8,834,957,692.00	
Contract assets	183,650,278.00	183,650,278.00	
Assets held for sale	360,935,948.00	360,935,948.00	
Current portion of non-current assets			
Other current assets	9,367,055,433.00	9,367,055,433.00	
Total current assets	65,688,465,295.00	65,688,465,295.00	
Non-current assets:			
Loans and advances to customers	981,876,228.00	981,876,228.00	
Debt investments	119,349,896.00	119,349,896.00	
Other debt investments	152,062,601.00	152,062,601.00	
Long-term receivables	778,889,309.00	778,889,309.00	
Long-term equity investments	24,047,036,004.00	24,047,036,004.00	
Investments in other equity instruments	1,333,675,630.00	1,333,675,630.00	
Other non-current financial assets	3,055,595,097.00	3,055,595,097.00	
Investment property	1,664,201,130.00	1,664,201,130.00	
Fixed assets	92,829,901,894.00	91,515,595,994.00	-1,314,305,900.00
Construction in progress	31,508,310,783.00	31,508,310,783.00	
Productive living assets			
Oil and gas assets			
Right-of-use assets		1,856,862,180.00	1,856,862,180.00

Intangible assets	10,054,045,032.00	10,054,045,032.00	
Development costs	2,103,994,558.00	2,103,994,558.00	
Goodwill	6,943,264,794.00	6,943,264,794.00	
Long-term prepaid expense	2,536,670,015.00	2,099,368,428.00	-437,301,587.00
Deferred income tax assets	1,578,087,991.00	1,578,087,991.00	
Other non-current assets	12,532,852,630.00	12,532,852,630.00	
Total non-current assets	192,219,813,592.00	192,325,068,285.00	105,254,693.00
Total assets	257,908,278,887.00	258,013,533,580.00	105,254,693.00
Current liabilities:			
Short-term borrowings	12,263,713,979.00	12,263,713,979.00	
Borrowings from the central bank	469,834,291.00	469,834,291.00	
Loans from other banks and financial institutions			
Held-for-trading financial liabilities	527,901,041.00	527,901,041.00	
Derivative financial liabilities	384,903,731.00	384,903,731.00	
Notes payable	4,725,611,752.00	4,725,611,752.00	
Accounts payable	16,468,931,544.00	16,468,931,544.00	
Advances from customers	78,597,459.00	78,597,459.00	
Contract liabilities	2,004,004,181.00	2,004,004,181.00	
Financial assets sold under repurchase agreements	50,080,208.00	50,080,208.00	
Customer deposits and deposits from other banks and financial institutions	2,850,138,744.00	2,850,138,744.00	
Payables for acting trading of securities			
Payables for underwriting of securities			
Employee benefits payable	1,856,664,146.00	1,856,664,146.00	
Taxes and levies payable	670,058,792.00	670,058,792.00	
Other payables	14,869,433,359.00	14,869,433,359.00	
Including: Interest payable			

Dividends payable	1,293,097.00	1,293,097.00	
Fees and commissions payable			
Reinsurance payables			
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities	13,429,669,611.00	13,449,071,421.00	19,401,810.00
Other current liabilities	366,970,706.00	366,970,706.00	
Total current liabilities	71,016,513,544.00	71,035,915,354.00	19,401,810.00
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings	73,589,403,308.00	73,589,403,308.00	
Bonds payable	18,040,772,610.00	18,040,772,610.00	
Including: Preference shares			
Perpetual bonds			
Lease liabilities		912,550,980.00	912,550,980.00
Long-term payables	1,280,299,665.00	453,601,568.00	-826,698,097.00
Long-term employee benefits payable	27,857,583.00	27,857,583.00	
Provisions			
Deferred income	1,509,867,357.00	1,509,867,357.00	
Deferred income tax liabilities	2,386,496,733.00	2,386,496,733.00	
Other non-current liabilities			
Total non-current liabilities	96,834,697,256.00	96,920,550,139.00	85,852,883.00
Total liabilities	167,851,210,800.00	167,956,465,493.00	105,254,693.00
Owners' equity:			
Share capital	14,030,788,362.00	14,030,788,362.00	
Other equity instruments	230,240,606.00	230,240,606.00	
Including: Preference shares			

Perpetual bonds			
Capital reserves	5,442,384,608.00	5,442,384,608.00	
Less: Treasury stock	1,913,028,859.00	1,913,028,859.00	
Other comprehensive income	-145,573,093.00	-145,573,093.00	
Specific reserve	211,932.00	211,932.00	
Surplus reserves	2,452,892,102.00	2,452,892,102.00	
General reserve	385,534.00	385,534.00	
Retained earnings	14,009,494,262.00	14,009,494,262.00	
Total equity attributable to owners of the Company as the parent	34,107,795,454.00	34,107,795,454.00	
Non-controlling interests	55,949,272,633.00	55,949,272,633.00	
Total owners' equity	90,057,068,087.00	90,057,068,087.00	
Total liabilities and owners' equity	257,908,278,887.00	258,013,533,580.00	105,254,693.00

Balance sheet of the Company as the parent:

Unit: RMB

Item	31 December 2020	1 January 2021	Adjustment
Current assets:			
Monetary assets	2,208,790,335.00	2,208,790,335.00	
Held-for-trading financial assets	1,221,656,698.00	1,221,656,698.00	
Derivative financial assets			
Notes receivable	6,000,000.00	6,000,000.00	
Accounts receivable	175,787,300.00	175,787,300.00	
Receivables financing			
Prepayments	97,962,630.00	97,962,630.00	
Other receivables	25,555,923,615.00	25,555,923,615.00	
Including: Interest receivable			
Dividends receivable			
Inventories	5,997,388.00	5,997,388.00	

Contract assets			
Assets held for sale			
Current portion of non-current assets			
Other current assets	2,332,646.00	2,332,646.00	
Total current assets	29,274,450,612.00	29,274,450,612.00	
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	65,094,459,376.00	65,094,459,376.00	
Investments in other equity instruments	15,000,000.00	15,000,000.00	
Other non-current financial assets	1,145,021,734.00	1,145,021,734.00	
Investment property	88,686,986.00	88,686,986.00	
Fixed assets	46,011,508.00	46,011,508.00	
Construction in progress	11,440,567.00	11,440,567.00	
Productive living assets			
Oil and gas assets			
Right-of-use assets		467,914,882.00	467,914,882.00
Intangible assets	42,310,680.00	42,310,680.00	
Development costs			
Goodwill			
Long-term prepaid expense	469,424,698.00	32,123,111.00	-437,301,587.00
Deferred income tax assets	6,709.00	6,709.00	
Other non-current assets			
Total non-current assets	66,912,362,258.00	66,942,975,553.00	30,613,295.00
Total assets	96,186,812,870.00	96,217,426,165.00	30,613,295.00
Current liabilities:			
Short-term borrowings	3,670,230,653.00	3,670,230,653.00	
Held-for-trading financial liabilities			
Derivative financial	16,513,000.00	16,513,000.00	

liabilities			
Notes payable			
Accounts payable	129,703,459.00	129,703,459.00	
Advances from customers			
Contract liabilities	1,871,994.00	1,871,994.00	
Employee benefits payable	220,510,234.00	220,510,234.00	
Taxes and levies payable	26,070,786.00	26,070,786.00	
Other payables	26,377,023,713.00	26,377,023,713.00	
Including: Interest payable			
Dividends payable	1,292,429.00	1,292,429.00	
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities	6,141,029,463.00	6,150,305,562.00	9,276,099.00
Other current liabilities	315,970.00	315,970.00	
Total current liabilities	36,583,269,272.00	36,592,545,371.00	9,276,099.00
Non-current liabilities:			
Long-term borrowings	12,087,500,000.00	12,087,500,000.00	
Bonds payable	14,092,345,084.00	14,092,345,084.00	
Including: Preference shares			
Perpetual bonds			
Lease liabilities		21,337,196.00	21,337,196.00
Long-term payables			
Long-term employee benefits payable	21,991,372.00	21,991,372.00	
Provisions			
Deferred income	42,651,822.00	42,651,822.00	
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	26,244,488,278.00	26,265,825,474.00	21,337,196.00

Total liabilities	62,827,757,550.00	62,858,370,845.00	30,613,295.00
Owners' equity:			
Share capital	14,030,788,362.00	14,030,788,362.00	
Other equity instruments	230,240,606.00	230,240,606.00	
Including: Preference shares			
Perpetual bonds			
Capital reserves	9,846,835,060.00	9,846,835,060.00	
Less: Treasury stock	1,913,028,859.00	1,913,028,859.00	
Other comprehensive income	141,998,219.00	141,998,219.00	
Specific reserve			
Surplus reserves	2,250,827,663.00	2,250,827,663.00	
Retained earnings	8,771,394,269.00	8,771,394,269.00	
Total owners' equity	33,359,055,320.00	33,359,055,320.00	
Total liabilities and owners' equity	96,186,812,870.00	96,217,426,165.00	30,613,295.00

Notes to the adjustments:

The Company has adopted since 1 January 2021 the Accounting Standard No. 21 for Business Enterprises-Leases revised by the Ministry of Finance in 2018.

The Company adopted a simplified method of retrospective restatement. As required by the new lease standard, relevant financial statement items at the beginning of the period when the new lease standard was first adopted (1 January 2021) were adjusted according to the cumulative effects arising from the first adoption of the new lease standard, and data of the comparable periods were not adjusted.

The effects of the adoption of the new lease standard on the presentation of the balance sheet items as at the beginning of the current period are as follows:

Item	31 December 2020	Adjustment	1 January 2021
Fixed assets	92,829,901,894	-1,314,305,900	91,515,595,994
Right-of-use assets		1,856,862,180	1,856,862,180
Long-term prepaid expense	2,536,670,015	-437,301,587	2,099,368,428
Current portion of non-current liabilities	13,429,669,611	19,401,810	13,449,071,421
Lease liabilities		912,550,980	912,550,980
Long-term payables	1,280,299,665	-826,698,097	453,601,568

2. Retrospective Adjustments to the Comparative Data of Prior Periods due to the First Execution in 2021 of the New Accounting Standard Governing Leases

Applicable Not applicable

III Independent Auditor's Report

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

Yes No

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