

TCL 科技集团股份有限公司

TCL Technology Group Corporation



创意感动生活
The Creative Life

THIRD QUARTERLY REPORT 2020

29 October 2020

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.

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 versions shall prevail.

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Definitions

Term	Definition
The “Company”, the “Group”, “TCL”, “TCL Tech.” or “we”	TCL Technology Group Corporation and its consolidated subsidiaries, except where the context otherwise requires.
The “Current Period”	The period from 1 January 2020 to 30 September 2020.
The “Reporting Period”	The period from 1 July 2020 to 30 September 2020.
TCL CSOT	TCL China Star Optoelectronics Technology Co., Ltd.
Zhonghuan Electronics	Tianjin Zhonghuan Electronics Group Co., Ltd.
Zhonghuan Semiconductor	Tianjin Zhonghuan Semiconductor Co., Ltd. (stock code: 002129.SZ)
Samsung Display	Samsung Display Co., Ltd.
Samsung Suzhou	Samsung Suzhou LCD Co., Ltd.
San’an Semiconductor	Quanzhou San’an Semiconductor Technology Co., Ltd.
Highly	Highly Information Industry Co., Ltd., a majority-owned subsidiary of the Company listed on the National Equities Exchange and Quotations (stock code: 835281)
Guangdong Juhua	Guangdong Juhua Printed Display Technology Co., Ltd.
China Ray	Guangzhou China Ray Optoelectronic Materials Co., Ltd.
CDOT	China Display Optoelectronics Technology Holdings Limited, a majority-owned subsidiary of the Company listed on the Stock Exchange of Hong Kong (stock code: 00334.HK)
Educational Web	TCL Educational Web Ltd.
Bank of Shanghai	Bank of Shanghai Co., Ltd. (stock code: 601229.SH)
712 Corp.	Tianjin 712 Communication & Broadcasting Co., Ltd. (stock code: 603712.SH)
Fantasia	Fantasia Holdings Group Co., Limited, a listed company on the Stock Exchange of Hong Kong (stock code: 01777.HK)
Admiralty Harbour Capital	Admiralty Harbour Capital Limited
China Innovative	China Innovative Capital Management Limited
t1 project	The generation 8.5 (or G8.5) TFT-LCD production line of TCL CSOT
t2 project	The generation 8.5 (or G8.5) TFT-LCD (including oxide semiconductor) production line of TCL CSOT
t3 project	The generation 6 (or G6) LTPS-LCD panel production line of TCL CSOT
t4 project	The generation 6 (or G6) flexible LTPS-AMOLED panel production line of TCL CSOT
t6 project	The generation 11 (or G11) new TFT-LCD production line of TCL CSOT
t7 project	The generation 11 (or G11) new ultra-high-definition (UHD) TFT-LCD and AMOLED production line of TCL CSOT

Part II Key Corporate Information

I Key Financial Information

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

Yes No

	30 September 2020		31 December 2019		Change (%)
Total assets (RMB)	200,282,199,399		164,844,884,926		21.50%
Owners' equity attributable to the listed company's shareholders (RMB)	31,074,758,363		30,111,946,237		3.20%
Share capital (share)	13,519,279,411		13,528,438,719		-0.07%
Equity per share attributable to the listed company's shareholders (RMB/share)	2.2986		2.2258		3.27%
	Q3 2020	YoY change (%)	Q1-Q3 2020	YoY change (%)	
Revenue (RMB)	19,376,776,395	28.87%	48,709,987,251	-17.18%	
Revenue on the same basis after the spin-off (RMB) (note)	19,376,776,395	28.87%	48,709,987,251	18.36%	
EBITDA (RMB)	4,530,535,012	41.94%	10,673,641,330	-8.21%	
Net profit attributable to the listed company's shareholders (RMB)	817,109,760	68.48%	2,025,175,746	-21.42%	
Net profit attributable to the listed company's shareholders before non-recurring gains and losses (RMB)	678,187,625	168.13%	860,050,472	70.85%	
Net cash generated from/used in operating activities (RMB)	4,523,259,350	210.14%	11,871,070,129	56.01%	
Basic earnings per share (RMB/share)	0.0632	73.63%	0.1563	-19.68%	
Diluted earnings per share (RMB/share)	0.0604	68.72%	0.1497	-21.29%	
Weighted average return on equity (%)	2.66%	1.06%	6.74%	-2.12%	

Note: In April 2019, the Company completed the handover of assets in a significant spin-off. Therefore, the Q1-Q3 2019 data included the results of the spun-off assets for January-March 2019 and a gain of RMB1.15 billion from the spin-off. Provided that the Q1-Q3 2019 data were on the same basis after the spin-off, revenue would be up by 18.4% year-on-year. In 2020, the Company continued to focus on its core business and maximize shareholder's value by spinning off the Educational Web business, which generated a gain of RMB234 million. Provided that the spin-off gains were excluded from both of the Q1-Q3 2020 and Q1-Q3 2019 data, the net profit attributable to the listed company's shareholders would be up by 28.9% year-on-year on the same basis.

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)	13,519,279,411
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Fully diluted earnings per share based on the latest total share capital above:

Fully diluted earnings per share based on the latest total share capital above (RMB/share)	0.1498
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Non-recurring gains and losses:

Unit: RMB

Item	Q1-Q3 2020	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	300,297,646	Not applicable
Government grants through profit or loss (exclusive of government grants given in the Company's ordinary course of business at fixed quotas or amounts as per the government's uniform standards)	465,617,542	Not applicable
Gain equal to the amount by which investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the Company's enjoyable fair value of identifiable net assets of investees when making investments	280,758,994	Not applicable
Gain or loss on fair-value changes in held-for-trading and derivative financial assets and liabilities & income from disposal of held-for-trading and derivative financial assets and liabilities and other investments in debt obligations (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	101,008,421	Not applicable
Non-operating income and expense other than the above	173,115,293	Not applicable
Less: Corporate income tax	86,827,078	Not applicable
Non-controlling interests (net of tax)	68,845,544	Not applicable
Total	1,165,125,274	--

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	512,782	Number of preference shareholders with resumed	0
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				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	8.57	1,158,599,393	613,931,602	Put in pledge by Li Dongsheng	275,000,000	
					Put in pledge by Jiutian Liancheng	344,899,521	
Huizhou Investment Holding Co., Ltd.	State-owned legal person	5.50	743,139,840				
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	3.11	420,738,484				
Tibet Tianfeng Enterprise Management Co., Ltd.	Domestic general legal person	3.01	407,344,415				
China Securities Finance Corporation Limited	Domestic general legal person	2.76	373,231,553				
Central Huijin Asset Management Co., Ltd.	State-owned legal person	1.53	206,456,500				
National Social Security Fund-Portfolio 601	Fund, wealth management product, etc.	0.95	128,080,487				
Star Century Enterprises Limited	Foreign legal person	0.67	90,532,347	90,532,347			
ICBC Credit Suisse Asset Management Co., Ltd. — Agricultural Bank	Fund, wealth management product, etc.	0.55	74,761,500				

of China—ICBC Credit Suisse China Securities Financial Assets Management Plan						
China Southern Asset Management Co., Ltd.— Agricultural Bank of China— Southern China Securities Financial Assets Management Plan	Fund, wealth management product, etc.	0.55	74,761,500			
Top 10 unrestricted shareholders						
Name of shareholder	Unrestricted shares held	Shares by type				
		Type	Shares			
Huizhou Investment Holding Co., Ltd.	743,139,840	RMB-denominated ordinary stock	743,139,840			
Li Dongsheng and his acting-in-concert party	544,667,791	RMB-denominated ordinary stock	544,667,791			
Hong Kong Securities Clearing Company Ltd.	420,738,484	RMB-denominated ordinary stock	420,738,484			
Tibet Tianfeng Enterprise Management Co., Ltd.	407,344,415	RMB-denominated ordinary stock	407,344,415			
China Securities Finance Corporation Limited	373,231,553	RMB-denominated ordinary stock	373,231,553			
Central Huijin Asset Management Co., Ltd.	206,456,500	RMB-denominated ordinary stock	206,456,500			
National Social Security Fund-Portfolio 601	128,080,487	RMB-denominated ordinary stock	128,080,487			
ICBC Credit Suisse Asset Management Co., Ltd.— Agricultural Bank of China—ICBC Credit Suisse China Securities Financial Assets Management Plan	74,761,500	RMB-denominated ordinary stock	74,761,500			
China Southern Asset Management Co., Ltd.—Agricultural Bank of	74,761,500	RMB-denominated ordinary stock	74,761,500			

China—Southern China Securities Financial Assets Management Plan			
Zhong Ou Asset Management—Agricultural Bank of China—Zhong Ou China Securities Financial Assets Management Plan	74,761,500	RMB-denominated ordinary stock	74,761,500
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)	Not applicable		

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 Management Discussion and Analysis

I Overview

The technology and financial sector has suffered from the impact of the further escalated Sino-US trade war since the beginning of this year. In addition, the global economy was in a slump because the COVID-19 pandemic has not been eliminated. Due to the effective pandemic control measures and the "dual circulation" development pattern, which is the mutual promotion of the double cycles of the domestic and international markets, China has become the only major economy with positive growth. With the acceleration of the restructuring of the global economic landscape and the continuous adjustment of the industrial chains, strategic emerging industries such as semi-conductor materials, new displays technology and integrated circuits in China are entering a new stage of development. **The Company persisted with the established strategies, regarded innovation and technology as the core driver, as well as maximized the cost efficiency. The Company continuously created new dynamic for the high-end technology industry and further promoted the global leading strategies.**

In the nine months ended 30 September 2020, on the same basis after the spin-off, the Company recorded revenue of RMB48.71 billion, up by 18.4% year-on-year, and a net profit attributable to the listed company's shareholders of RMB2.03 billion. Excluding the gain from the spin-off, the net profit attributable to the listed company's shareholders increased by 28.9% year-on-year on the same basis. Specifically, the net profit attributable to the listed company's shareholders was RMB0.817 billion in the third quarter, up by 68.5% year-on-year.

TCL CSOT reported a revenue of RMB32.38 billion, up by 31.9% year-on-year, due to a lower average price of major products from the same period of last year; Moreover, the impact on production and logistics brought by the pandemic resulted in a net profit of RMB566 million, down by 56.3% year-on-year. Benefited from the improvement in the supply and demand of global large-size display business, the price of panels in each size stably increased in the third quarter. The Company continued to promote structural cost reduction and consolidate its leading advantages in operating efficiency and benefit. Although the depreciation of the third quarter increased by

RMB573 million from the second quarter, after the capacity of new production lines smoothly climbed to the top, TCL CSOT recorded a net profit of RMB700 million in the third quarter, a significant increase of RMB659 million from the second quarter and an increase of 151.6% year-on-year. Meanwhile, the industrial finance & investment and venture capital business recorded a net profit of RMB785 million.

Semi-conductor display technology and materials is one of the core fundamental industries with great importance and promising prospects, where Chinese enterprises played a significant role in the industries. During the Reporting Period, TCL CSOT **acquired 60% ownership of the G8.5 production line (t10) of Samsung Suzhou and 100% ownership of the supporting module factory, and introduced Samsung to be a strategic shareholder of TCL CSOT.** Both sides would coordinate their respective technology, production and market advantages to launch comprehensive cooperation and form a new ecological alliance. The assets was delivered as scheduled and would be included into the consolidated financial statements in the first quarter of 2021. Meanwhile, the China Securities Regulatory Commission approved the Company's acquisition of a 39.95% minority interest of the t3 production line as well as the capital raising program of RMB2.6 billion in September. The delivery of asset was progressing. This transaction would further enhance the profitability attributable to the Company and increase returns for shareholders.

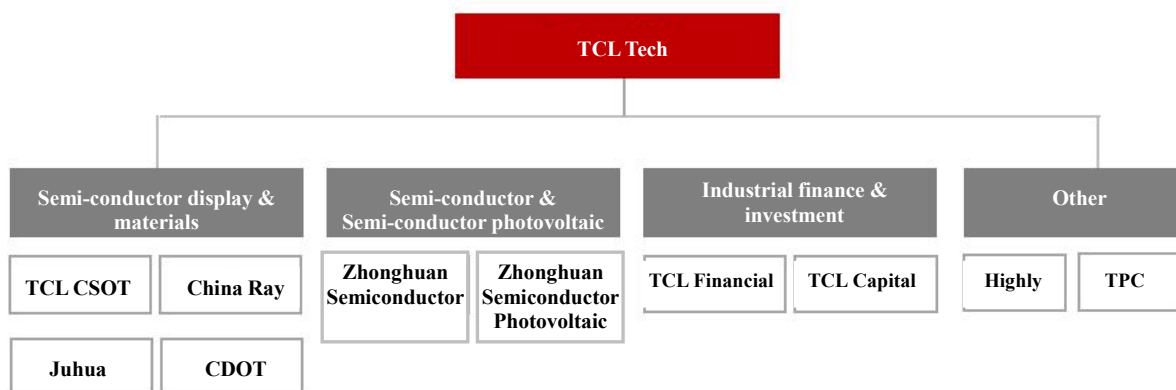
By self-research, cooperation and acquisition, the company improved the ecological system around printing OLED/QLED, Micro-LED and other new display technologies, as well as reinforced the technological leading advantages. The Company's subsidiary, Guangdong Juhua focused on printing display process by developing key technologies and promoting industrial application, while China Ray focused on researching new OLED key materials with independent IP. The patents owned by the Company in the QLED electroluminescent field ranked as top two of the world. TCL CSOT acquired a strategic stake in JOLED Inc. Through joint R&D and patent cooperation, the company improved the ecology construction of the printing display industrial chain from all aspects including materials, equipment, processes and products, so as to accelerate the industrialization of printing OLED. TCL CSOT and San'an Semiconductor are dedicated to promoting independent IPs from materials, processes, equipments and production line solutions by jointly establishing a laboratory focusing on Micro-LED technology.

To meet the requirement of searching growth driver in semiconductor and semiconductor photovoltaic industry, the company invested in the field of silicon materials, which held a high position in the upstream of the industry. With the grid parity, new development opportunities appeared for photovoltaics. Along with the third wave of semiconductor industry relocation and the industrial restructuring under international political and economic changes, the Company will continuously lay a solid foundation in high-tech, heavy-asset and long-cycle fields, and develop competitiveness in basic procedures and key areas such as materials and equipment. **During the Reporting Period, the Company acquired 100% equity of Tianjin Zhonghuan Electronics Group Co., Ltd. The asset is processing transfer formalities and will be included into the consolidated financial statements in Q4 2020.**

Looking forward to the whole year, although the pandemic has affected the short-term business performance and there are great uncertainties in global economic growth, the company is confident to reach the annual business target. Moreover, the company attempts to seize the historic opportunity of global industrial transformation by taking advantages in management, efficiency, industrial chain resources and its successful experience of global operation. The company will strive to promote a global leading position in the fields of semiconductor display and materials industry as well as semiconductor and semiconductor photovoltaic industry.

II Core Business Review

During the Reporting Period, the business structure of TCL Tech. still consisted of the following three segments: the semi-conductor display and materials business, the industrial finance & investment business and the other businesses. The Company has acquired 100% equity of Tianjin Zhonghuan Electronics Group Co., Ltd. and its statements will be consolidated in Q4 2020, the business structure of the Company will then be as follows:



(I) Semi-conductor Display and Materials Business

Due to impact of the pandemic, the supply and demand in the semiconductor display industry both shrank, and the price of panels continued to fluctuate at the bottom. **Due to recovered demand in the third quarter as well as the influence of the coming selling season, the price maintained at a high level, which enhanced the industrial profitability.**

From January to September, TCL CSOT recorded product sales area of 21.687 million square meters, up by 41.7% year-on-year; a revenue of RMB32.38 billion, up by 31.9% year-on-year, and a net profit of RMB566 million. Specifically, the net profit of the third quarter was RMB700 million, up by RMB659 million quarter-on-quarter and 151.6% year-on-year.

The large-size panel business maintained leading efficiency and profitability, which results in a rise to the second place of the global market share of TV panels. Endogenous capability-building and M&A supported the continual high growth of TCL CSOT.

The production lines of large-size panels operated at full capacity for strong sales, achieving sales area of 20.71 million square meters, up by 44.9% year-on-year, along with a sales volume of 34.48 million pieces, up by 14.9% year-on-year. TCL CSOT gave full play to advantages of the high-generation production line in production efficiency in ultra-large sizes and high specifications, and optimized the product mix. The market share of 55-inch panels ranked the first in the world, that of 32-inch panels ranked the second, and that of 65-inch and 75-inch panels rose to the third position. 8K/120Hz product sales grew rapidly. The Company achieved mass production of 75-inch 8K MLED Xingyao Screen, and actively extended business to the commercial display field. The

market share of 86-inch interactive whiteboards ranked second in the world.

Large-size panel business recorded a revenue of RMB20.33 billion, up by 50.9% year-on-year, maintaining a leading profitability in the industry. TCL CSOT acquired the Suzhou factories of Samsung Display, which was expected to be consolidated in the first quarter of 2021. Meanwhile, the t7 production line was about to achieve mass production. According to endogenous capability-building and M&A, the production capacity and market share of TCL CSOT was expected to maintain a rapid growth, and the competitiveness of large-size display business would be continuously enhanced.

The Company drove development of small- and medium-size panel business by technology innovation, and continuously optimized products and customer structure. High-end notebook computers and flexible OLED products grew rapidly.

The small- and medium-size panel business recognized sales area of 0.97 million square meters, down by 3.6% year-on-year; and a revenue of RMB12.05 billion (including CDOT), up by 8.7% year-on-year.

Module capacity of the t3 production line decreased in the first half due to impact of the pandemic, but it recovered to full capacity and sales in the third quarter. The Company strengthened the development of full screen display and in-display fingerprint technology, increased the proportion of Incell/COF/blind via products, and continuously optimized the product mix. Its market share of LTPS mobile phone panels maintained the top three position in the world with a recovering profitability.

The Phase I production capacity and yield rate of the t4 flexible AMOLED production line were improved as scheduled, and foldable screens and double-curved screens for brand manufacturers were mass produced and delivered. In addition, the Company continued introducing global leading brands, and its shipments of OLED mobile phone panels rose to the fourth across the world. For the t4 production line, the focus was placed on under-display shooting, folding, LTPO and other special technologies. The DOT and 120Hz products was mass produced through a leading technology in China. Equipment for Phase II and Phase III was being moved in as planned. A total capacity of 45K/month could be estimated to achieve in 2021.

The Company enhanced the full-life-cycle capability of products, and further enriched the mix of medium-size products based on existing advantages in LTPS fields in notebook computers and tablet computers as well as customers' resources in Esports and IWB. With existing strategies of medium-size panels and the judgment on large, medium and small size market, the company promoted technical investment for medium-size products and broadened the high-end customers during the Reporting Period. In addition, the company grasped the opportunities from the booming market of special displays for entertainment and Esports, as well as the needs of upgrade in high-end business notebook computers. The volume shipment of 32-inch curved gaming panel of TCL CSOT ranked second across the world, and its LTPS notebook computer panel has been supplied to mass brand customers.

(II) Industrial Finance and Investment Business

TCL's industrial finance business mainly includes the Group's finance and the supply chain finance. The finance team focused on the funding needs of the Group's key projects, strengthened the active management of liquidity and currency risk, and gradually satisfied financial needs of the overseas business. The supply chain finance took full advantage of Internet platform. Jointly with domestic financial institutions, it continuously provided high quality and convenient receivables financing services for small and medium enterprises, realizing the sound development of the industry.

TCL Capital seek investment opportunities in key fields of high-tech industries, including new display technology, semi-conductor industry chain, as well as high end 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 reached RMB8, 989 million, and 124 projects were invested cumulatively. Currently, it holds the stake of CATL, DKEM, Cambricon and some other listed companies, in addition to interests in SenseTime, Shangtai Tech, ASR Microelectronics, GalaxyCore, etc. As for Admiralty Harbour Capital, it has issued and underwritten 14 bonds and 5 debt management projects. Its investment banking and asset management business grew steadily. China Innovative focused in mature companies related to the Company's businesses, and it has invested in more than 115 listed companies cumulatively with a steady growth in performance.

At the end of the Reporting Period, the Company holds a stake of several listed companies directly, including the 712 Corp. (603712.SH), the Bank of Shanghai (601229.SH) and the Fantasia Holdings (01777.HK).

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

1. Balance Sheet Items

Unit: RMB

Balance sheet items	30 September 2020	31 December 2019	Change (%)	Reasons for the Changes
Monetary assets	12,827,443,241	18,648,184,663	-31.2	Payments for investments
Held-for-trading financial assets	7,920,821,272	6,074,750,918	30.4	Increase in investments in wealth management products purchased
Accounts receivable	11,284,708,459	8,340,353,992	35.3	Increase in revenue
Prepayments	874,835,005	364,422,948	140.1	Increase in prepayments to suppliers
Other receivables	16,106,570,308	2,750,041,514	485.7	Increase in receivables in relation to M&A investments
Loans and advances to customers	1,961,571,208	3,637,768,065	-46.1	Recovery of loans
Other non-current financial assets	3,318,741,915	2,542,689,268	30.5	Increase in debt investments
Investment property	1,157,774,022	82,272,964	1,307.2	Increase in construction in progress transferred to this item
Fixed assets	59,542,069,991	45,459,070,330	31.0	Increase in construction in progress transferred to this item
Long-term prepaid expense	2,253,426,047	1,567,690,992	43.7	Increase in the period
Other non-current assets	16,046,365,881	4,250,658,887	277.5	Increase in prepayments for equipment
Borrowings from central bank	1,235,104,379	573,222,113	115.5	Increase in borrowings received by TCL Finance Co., Ltd. from the central bank
Held-for-trading financial liabilities	482,824,416	188,220,097	156.5	Increase in financial products
Derivative financial liabilities	318,400,408	84,704,591	275.9	Increase in forward forex products
Contract liabilities	346,106,030	-	-	Adoption of the new accounting standard governing revenue
Customer deposits and	3,339,383,199	1,355,128,509	146.4	Increase in deposits received by

interbank deposits				TCL Finance Co., Ltd.
Current portion of non-current liabilities	5,697,042,073	1,691,963,496	236.7	Increase in the current portion of long-term borrowings
Long-term borrowings	60,621,676,376	38,512,059,200	57.4	Increase in financings

2. Income Statement Items

Unit: RMB

Item	Q1-Q3 2020	Q1-Q3 2019	Change (%)	Reasons for the Changes
Taxes and levies	147,380,452	289,281,187	-49.1	The spin-off
Selling expense	548,204,916	2,582,419,684	-78.8	The spin-off
Finance costs	1,453,054,866	885,378,869	64.1	Increase in financings
Asset impairment loss	-708,096,422	-397,698,940	78.0	Increase in inventory valuation allowances

3. Cash Flow Statement Items

Unit: RMB

Item	Q1-Q3 2020	Q1-Q3 2019	Change (%)	Reasons for the Changes
Net cash generated from/used in operating activities	11,871,070,129	7,609,274,189	56.0	New production lines running at full capacity and increase in cash as loans and advances
Net cash generated from/used in investing activities	-40,577,217,778	-26,893,265,344	50.9	Increase in investment expenditures
Net cash generated from/used in financing activities	23,485,740,179	9,957,977,427	135.8	Increase in financings

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 Share Repurchase & Changes in Shares	13 January 2020	http://www.cninfo.com.cn
Announcement on Change of the Company Name with the Industrial and Commercial Administration and Change of the Stock Name	7 February 2020	
Preliminary Plan on the Acquisition of Assets through Share Offering, Convertible Corporate Bonds Offering and Cash Payment and Raising the Matching Funds	29 April 2020	
Announcements on participating in the public acquisition of the 100% equity interests in	24 June 2020, 16 July 2020, 22 July 2020, 11 September 2020 and 28 September 2020	

Zhonghuan Group		
Report on the Acquisition of Assets through Share Offering, Convertible Corporate Bonds Offering and Cash Payment and Raising the Matching Funds (Draft) (Revised)	29 August 2020 and 17 September 2020	
Reminder of Postponed Re-election of the Board of Directors and the Supervisory Committee	29 August 2020	
Announcement on Adjustment to the Line of Guarantee for Subsidiary	29 August 2020	
Announcement on the Acquisition of a 60% Interest in Samsung Suzhou LCD Co., Ltd. and of the 100% Interest of Samsung Display Suzhou Co., Ltd.	29 August 2020	
Announcement on Unconditional Approval by the M&A and Restructuring Committee of the CSRC of the Acquisition of Assets through Share Offering, Convertible Corporate Bonds Offering and Cash Payment and Raising the Matching Funds & Resumption of Share Trading	18 September 2020	

Progress of any share repurchase:

It is the key operational philosophy and mission of the Company to create value for and grow with the shareholders. In order to effectively protect shareholders' interests and enhance shareholder value, the Company convened the 14th Meeting of the 6th Board of Directors on 10 January 2019, at which the Proposal on the Repurchase of Certain Public Shares was approved. The Report on the Repurchase of Certain Public Shares was disclosed on 14 February 2019. In view of the trends on the secondary market of stocks, the Company convened the 15th Meeting of the 6th Board of Directors on 19 March 2019, at which the Proposal on the Adjustment to the Upper Limit of the Share Repurchase Price. As such, the upper limit of the share repurchase price was adjusted from RMB3.80/share to RMB5.00/share. The Company implemented the share repurchase from 14 February 2019. Up to 10 January 2020, the Company has cumulatively repurchased 565,333,922 shares (or 4.18% of the Company's total share capital) in its special securities account for repurchases by way of centralized bidding, with the highest trading price being RMB4.17/share, the lowest trading price being RMB3.13/share, and the average trading price being RMB3.42/share. The total transaction amount was RMB1,933.5965 million (exclusive of trading fees). The share repurchase has been implemented in a process in compliance with the applicable regulations including the Specific Rules of the Shenzhen Stock Exchange for Share Repurchase by Listed Companies. The actual number of shares repurchased, repurchase price and amount used were in compliance with the repurchase plan approved at the

14th Meeting of the 6th Board of Directors, with no difference with the disclosed Report on Share Repurchase. As such, the Company has completed the share repurchase as per the repurchase plan that it disclosed.

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

No such cases in the Reporting Period.

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	Agricultural Bank of China "Huilifeng" Corporate Customized RMB Structured Deposit Product	145,000	Fair value	-	1,180	-	145,000	-	1,180	146,180	Held-for-trading financial assets	Self-funded
Bank's wealth management	Not applicable	Guangdong Branch of China Construction Bank	120,000	Fair value	-	250	-	120,000	-	250	120,250	Held-for-trading financial	Self-funded

product		-“Ganyuan-Jinbao DJ” RMB Wealth Management Product No. 819 of 2020										assets	
Asset management plan	Not applicable	Changjian Securities -Chaoyue Wealth Management Lexiang 1-Day Collective Asset Management Plan	50,000	Fair value	-	213	-	50,000	-	213	50,213	Held-for-trading financial assets	Self-funded
Bank's wealth management product	Not applicable	Huaxia Bank Enterprise Growing Income Conservative Customized Wealth Management Product	40,000	Fair value	-	600	-	40,000	-	600	40,600	Held-for-trading financial assets	Self-funded
Bank's wealth management product	Not applicable	Bank of China Steady Wealth Management Plan-Zhihui Series	40,000	Fair value	-	537	-	40,000	-	537	40,537	Held-for-trading financial assets	Self-funded
Bank's	Not	China	34,950	Cost	-	-	-	34,950	-	816	35,766	Other current	Self-funded

wealth management product	applicable	Everbright Bank Corporate Structured Deposits										held assets	und
Trust plan	Not applicable	China Fortune International Trust Co., Ltd. CICC Xintou Collective Capital Trust Plan No. 2	30,000	Fair value	-	889	-	30,000	-	889	30,889	Held-for-trading financial assets	Self-funded
Trust plan	Not applicable	Minmetals Trust-Hen gxin Rixin No. 17-Steady Investment Collective Capital Trust Plan	26,000	Fair value	-	157	-	26,000	-	157	26,157	Held-for-trading financial assets	Self-funded
Trust plan	Not applicable	Zhonghai Trust-Sea Gull Collective Capital Trust Plan No. 3	20,000	Fair value	-	601	-	20,000	-	601	20,601	Held-for-trading financial assets	Self-funded
Monetary fund	Not applicable	Bosera Waifu Monetary Fund	50,000	Fair value	-	66	-	50,000	30,000	145	20,145	Held-for-trading financial assets	Self-funded
Other securities investments held at the period-end			1,693,215	--	616,094	-2,319	-2,020	1,074,683	1,378,011	35,103	321,479	--	--

Total	2,249,165	--	616,094	2,175	-2,020	1,630,633	1,408,011	40,491	852,818	--	--
Disclosure date of the board announcement approving the securities investments	20 March 2019										
Disclosure date of the general meeting announcement approving the securities investments (if any)	10 April 2019										

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
Disclosure date of the general meeting announcement approving the derivative investments (if any)	Not applicable
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

	<p>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> <p>Measures taken for risk control:</p> <ol style="list-style-type: none"> 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; 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; 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; 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>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 RMB74.51 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</p>	<p>No significant change</p>

investments in Reporting Period compared to last reporting period	
Opinion of independent directors on derivative investments and risk control	<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 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.</p> <p>We believe that the financial derivatives transactions carried out by the Company in the nine months ended 30 September 2020 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.</p>

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	1,279,232	36,087	2,512,274	89,823	7,451	37.47	1.34
2. Interest rate swaps	528,098	15,843	819,255	24,578		12.22	0.37
3. Currency swaps	215,565	14,399	344,523	17,226		5.14	0.26
Total	2,022,895	66,329	3,676,052	131,627	7,451	54.82	1.96

V Progress of Projects Financed with Raised Funds

Applicable Not applicable

VI 2020 Annual Operating Performance Forecast

Warning of a forecast loss on or a forecast significant year-on-year change in the 2020 annual net profit, 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	540,983	384,596	0
Securities firm's wealth management product	Self-funded	115,000	50,213	0
Trust plan	Self-funded	126,000	98,179	0
Other	Self-funded	181,485	52,026	0
Total		963,468	585,014	0

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

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

No such cases in the Reporting Period.

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
15 January 2020	Company Conference Room in Shenzhen	By visit	Institutional investor	UBS Asset Management, Essence Securities, Oriental Alpha Fund, Tongben	Inquired about the Company's business development	Log Sheet No. 2020-001 on Investor Relations Activities on 15 January 2020 disclosed by the Company on

				Investment, Rosefinch Fund, Shenzhen Shangdao Investment, and Shanghai Life Insurance		http://www.cninfo.com.cn dated 16 January 2020
16 January 2020	Company Conference Room in Shenzhen	By visit	Institutional investor	TF Securities, China Asset Management, TruValue Asset Management, Dingsa Fund, Essence Fund, Essence Securities, Sense Fund, Boyuan Fund, JTJ Investment, China Orient Asset Management, etc.	Inquired about the Company's business development	Log Sheet No. 2020-002 on Investor Relations Activities on 16 January 2020 disclosed by the Company on http://www.cninfo.com.cn dated 17 January 2020
31 March 2020	Company Conference Room in Shenzhen	By visit	Institutional investor	E Fund, Harvest Fund, Southern Asset Management, Bosera Funds, Perseverance Asset Management, Yinhua Fund, GF Fund, Dacheng Fund, UBS Securities, Minsheng Royal Fund Management, HSBC Jintrust Fund, CCB Principal Asset Management, etc.	Inquired about the 2019 performance and development planning of TCL Tech. and TCL CSOT	Log Sheet No. 2020-003 on Investor Relations Activities on 31 March 2020 disclosed by the Company on http://www.cninfo.com.cn dated 2 April 2020

29 April 2020	-	By phone	Institutional investor	Harvest Fund, China Asset Management, Penghua Fund, Perseverance Asset Management, asptex, Daiwa, Morgan Stanley, Q Fund Management, UG, Essence International, Essence Securities, Aeon Insurance Asset Management, etc.	Inquired about the Q1 2020 performance and development planning of TCL Tech.	Log Sheet No. 2020-004 on Investor Relations Activities on 29 April 2020 disclosed by the Company on http://www.cninfo.com.cn dated 7 May 2020
17 August 2020	Renaissance Tianjin Lakeview Hotel	By visit	Institution	Dajia Asset, China Life Asset, Fullgoal Fund, Perseverance Asset, Everbright Securities, GF Fund, Taikang Asset, Hongta Securities, GF Securities, GFund, EHE Capital, Guosheng Securities, etc.	Inquired about the Company's business development	Log Sheet No. 2020-005 on Investor Relations Activities on 17 August 2020 disclosed by the Company on http://www.cninfo.com.cn dated 18 August 2020
31 August 2020	Company Conference Room in Shenzhen	By visit	Institution	China Life Asset Management Company Limited, CIB Fund Management Co., Ltd., ABC Life Insurance, CITIC	Inquired about the H1 2020 performance and development planning of TCL Tech.	Log Sheet No. 2020-006 on Investor Relations Activities on 31 August 2020 disclosed by the Company on http://www.cninfo.com.cn dated 2 September 2020

				Prudential Fund, China Asset Management, Harvest Fund, ICBC Credit Suisse, Taikang Asset, Ping An Annuity Insurance, Ping An Fund, etc.		
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Part V Financial Statements

I Financial Statements

1. Consolidated Balance Sheet

Prepared by TCL Technology Group Corporation

Unit: RMB

Item	30 September 2020	31 December 2019
Current assets:		
Monetary assets	12,827,443,241.00	18,648,184,663.00
Settlement reserve		
Loans to other banks and financial institutions		
Held-for-trading financial assets	7,920,821,272.00	6,074,750,918.00
Derivative financial assets	378,239,337.00	159,035,592.00
Notes receivable	2,800,162.00	228,941,977.00
Accounts receivable	11,284,708,459.00	8,340,353,992.00
Receivables financing	74,424,300.00	
Prepayments	874,835,005.00	364,422,948.00
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	16,106,570,308.00	2,750,041,514.00
Including: Interest receivable		
Dividends receivable		5,771,104.00

Financial assets purchased under resale agreements		
Inventories	5,270,225,811.00	5,677,963,123.00
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	7,238,202,237.00	5,911,827,639.00
Total current assets	61,978,270,132.00	48,155,522,366.00
Non-current assets:		
Loans and advances to customers	1,961,571,208.00	3,637,768,065.00
Debt investments	120,768,132.00	20,373,264.00
Other debt investments		
Long-term receivables		
Long-term equity investments	20,293,408,531.00	17,194,284,162.00
Investments in other equity instruments	202,636,394.00	279,883,515.00
Other non-current financial assets	3,318,741,915.00	2,542,689,268.00
Investment property	1,157,774,022.00	82,272,964.00
Fixed assets	59,542,069,991.00	45,459,070,330.00
Construction in progress	24,985,366,572.00	33,578,289,802.00
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	6,453,132,676.00	5,684,584,119.00
Development costs	1,176,484,042.00	1,548,470,972.00
Goodwill	2,452,186.00	2,452,186.00
Long-term prepaid expense	2,253,426,047.00	1,567,690,992.00
Deferred income tax assets	789,731,670.00	840,874,034.00
Other non-current assets	16,046,365,881.00	4,250,658,887.00
Total non-current assets	138,303,929,267.00	116,689,362,560.00
Total assets	200,282,199,399.00	164,844,884,926.00
Current liabilities:		
Short-term borrowings	11,857,441,092.00	12,069,657,099.00
Borrowings from the central bank	1,235,104,379.00	573,222,113.00
Loans from other banks and financial		

institutions		
Held-for-trading financial liabilities	482,824,416.00	188,220,097.00
Derivative financial liabilities	318,400,408.00	84,704,591.00
Notes payable	2,201,076,330.00	1,720,401,552.00
Accounts payable	12,070,105,238.00	11,549,133,141.00
Advances from customers	173,642.00	141,748,956.00
Contract liabilities	346,106,030.00	
Financial assets sold under repurchase agreements	50,072,917.00	
Customer deposits and deposits from other banks and financial institutions	3,339,383,199.00	1,355,128,509.00
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	1,197,125,944.00	1,094,216,685.00
Taxes and levies payable	414,939,297.00	226,806,037.00
Other payables	15,454,442,183.00	12,293,565,901.00
Including: Interest payable		
Dividends payable	1,293,126.00	11,058,225.00
Fees and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	5,697,042,073.00	1,691,963,496.00
Other current liabilities	200,648,800.00	69,021,962.00
Total current liabilities	54,864,885,948.00	43,057,790,139.00
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	60,621,676,376.00	38,512,059,200.00
Bonds payable	15,170,111,167.00	16,479,085,461.00
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables	24,230,000.00	24,206,057.00
Long-term employee benefits	22,180,974.00	23,017,619.00

payable		
Provisions		
Deferred income	1,475,493,665.00	1,912,421,056.00
Deferred income tax liabilities	1,051,903,905.00	952,677,822.00
Other non-current liabilities		482,232.00
Total non-current liabilities	78,365,596,087.00	57,903,949,447.00
Total liabilities	133,230,482,035.00	100,961,739,586.00
Owners' equity:		
Share capital	13,519,279,411.00	13,528,438,719.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	5,693,980,327.00	5,716,667,384.00
Less: Treasury stock	1,913,028,859.00	1,952,956,751.00
Other comprehensive income	-325,376,763.00	-534,081,855.00
Specific reserve		
Surplus reserves	2,238,368,089.00	2,238,368,089.00
General reserve	360,766.00	360,766.00
Retained earnings	11,861,175,392.00	11,115,149,885.00
Total equity attributable to owners of the Company as the parent	31,074,758,363.00	30,111,946,237.00
Non-controlling interests	35,976,959,001.00	33,771,199,103.00
Total owners' equity	67,051,717,364.00	63,883,145,340.00
Total liabilities and owners' equity	200,282,199,399.00	164,844,884,926.00

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	30 September 2020	31 December 2019
Current assets:		
Monetary assets	4,827,670,877.00	3,966,899,016.00
Held-for-trading financial assets	3,207,379,027.00	2,969,105,570.00
Derivative financial assets		
Notes receivable	1,000,000.00	22,514,486.00

Accounts receivable	256,524,188.00	445,089,599.00
Receivables financing		
Prepayments	106,850,302.00	97,127,177.00
Other receivables	35,561,803,323.00	17,129,473,443.00
Including: Interest receivable		
Dividends receivable		4,211,824,115.00
Inventories	8,719,048.00	14,868,714.00
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	28,718,538.00	6,471,074.00
Total current assets	43,998,665,303.00	24,651,549,079.00
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	45,978,186,585.00	39,297,272,437.00
Investments in other equity instruments	15,000,000.00	15,000,000.00
Other non-current financial assets	1,494,462,399.00	1,540,912,643.00
Investment property	89,670,494.00	92,622,685.00
Fixed assets	46,318,858.00	54,238,373.00
Construction in progress	35,890,080.00	1,241,308.00
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	17,842,117.00	19,144,884.00
Development costs		
Goodwill		
Long-term prepaid expense	446,149,090.00	454,968,882.00
Deferred income tax assets		
Other non-current assets		
Total non-current assets	48,123,519,623.00	41,475,401,212.00
Total assets	92,122,184,926.00	66,126,950,291.00

Current liabilities:		
Short-term borrowings	6,919,214,444.00	6,484,481,271.00
Held-for-trading financial liabilities		
Derivative financial liabilities	15,016,970.00	5,980,760.00
Notes payable		30,282,528.00
Accounts payable	186,541,476.00	424,224,599.00
Advances from customers		17,470,841.00
Contract liabilities	13,659,035.00	
Employee benefits payable	160,578,430.00	125,095,153.00
Taxes and levies payable	10,439,721.00	10,354,865.00
Other payables	22,166,518,250.00	9,347,609,813.00
Including: Interest payable		
Dividends payable	1,292,429.00	11,057,515.00
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	5,270,725,300.00	847,326,922.00
Other current liabilities	3,614,791.00	
Total current liabilities	34,746,308,417.00	17,292,826,752.00
Non-current liabilities:		
Long-term borrowings	13,943,234,875.00	2,110,000,000.00
Bonds payable	13,135,868,376.00	16,479,085,461.00
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable	22,180,974.00	23,017,619.00
Provisions		
Deferred income	39,334,600.00	51,561,600.00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	27,140,618,825.00	18,663,664,680.00
Total liabilities	61,886,927,242.00	35,956,491,432.00
Owners' equity:		

Share capital	13,519,279,411.00	13,528,438,719.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	8,365,272,080.00	8,382,776,032.00
Less: Treasury stock	1,913,028,859.00	1,952,956,751.00
Other comprehensive income	129,770,077.00	56,064,337.00
Specific reserve		
Surplus reserves	2,036,303,650.00	2,036,303,650.00
Retained earnings	8,097,661,325.00	8,119,832,872.00
Total owners' equity	30,235,257,684.00	30,170,458,859.00
Total liabilities and owners' equity	92,122,184,926.00	66,126,950,291.00

3. Consolidated Income Statement for Q3

Unit: RMB

Item	Q3 2020	Q3 2019
1. Total revenues	19,414,257,022.00	15,043,817,358.00
Including: Revenue	19,376,776,395.00	15,036,052,357.00
Interest income	37,480,627.00	7,765,001.00
Insurance premium income		
Fee and commission income		
2. Costs and expenses	18,961,057,366.00	15,408,639,989.00
Including: Cost of sales	16,766,859,872.00	13,859,643,355.00
Interest expense	9,690,038.00	4,817,412.00
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	60,096,496.00	48,091,768.00

Selling expense	223,539,527.00	199,683,347.00
Administrative expense	445,564,745.00	293,283,969.00
R&D expense	918,274,102.00	722,455,220.00
Finance costs	537,032,586.00	280,664,918.00
Including: Interest expense	530,891,328.00	434,347,881.00
Interest income	46,883,545.00	106,746,690.00
Add: Other income	302,109,828.00	517,506,256.00
Return on investment (“-” for loss)	611,022,869.00	576,410,283.00
Including: Share of profit or loss of joint ventures and associates	412,163,854.00	396,531,183.00
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)	-367,349.00	-299,877.00
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	180,440,583.00	64,950,705.00
Credit impairment loss (“-” for loss)	8,198,256.00	-1,054,559.00
Asset impairment loss (“-” for loss)	-379,414,395.00	-83,358,305.00
Asset disposal income (“-” for loss)	-388,292.00	5,599,397.00
3. Operating profit (“-” for loss)	1,174,801,156.00	714,931,269.00
Add: Non-operating income	4,449,340.00	81,998,416.00
Less: Non-operating expense	12,507,266.00	4,649,448.00
4. Gross profit (“-” for loss)	1,166,743,230.00	792,280,237.00
Less: Income tax expense	174,162,360.00	41,928,606.00
5. Net profit (“-” for net loss)	992,580,870.00	750,351,631.00
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	992,580,870.00	750,351,631.00
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to	817,109,760.00	484,981,289.00

owners of the Company as the parent		
5.2.1 Net profit attributable to non-controlling interests	175,471,110.00	265,370,342.00
6. Other comprehensive income, net of tax	273,560,957.00	-26,068,932.00
Attributable to owners of the Company as the parent	289,165,857.00	-26,691,643.00
6.1 Items that will not be reclassified to profit or loss	-12,918,845.00	19,081,757.00
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	641,118.00	26,584,508.00
6.1.3 Changes in the fair value of investments in other equity instruments	-13,559,963.00	12,454,793.00
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		-19,957,544.00
6.2 Items that will be reclassified to profit or loss	302,084,702.00	-45,773,400.00
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method	14,189,009.00	-179,106,860.00
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	636,831.00	
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges	83,569,874.00	-19,415,646.00
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	203,688,988.00	151,851,168.00
6.2.7 Other		897,938.00
Attributable to non-controlling interests	-15,604,900.00	622,711.00
7. Total comprehensive income	1,266,141,827.00	724,282,699.00
Attributable to owners of the Company	1,106,275,617.00	458,289,646.00

as the parent		
Attributable to non-controlling interests	159,866,210.00	265,993,053.00
8. Earnings per share		
8.1 Basic earnings per share	0.0632	0.0364
8.2 Diluted earnings per share	0.0604	0.0358

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 for Q3

Unit: RMB

Item	Q3 2020	Q3 2019
1. Revenue	351,681,400.00	543,963,613.00
Less: Cost of sales	273,170,479.00	497,046,360.00
Taxes and levies	828,636.00	340,606.00
Selling expense	223,167.00	5,534,527.00
Administrative expense	132,624,426.00	80,248,940.00
R&D expense	35,323,026.00	34,971,218.00
Finance costs	337,959,065.00	236,701,397.00
Including: Interest expense	563,888,687.00	333,209,614.00
Interest income	241,280,876.00	95,255,830.00
Add: Other income		
Return on investment (“-” for loss)	350,268,142.00	361,094,314.00
Including: Share of profit or loss of joint ventures and associates	257,155,500.00	304,497,022.00
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)	3,488,019.00	116,206,626.00
Credit impairment loss (“-” for loss)	-1,099.00	-3,895.00
Asset impairment loss (“-” for loss)		

Asset disposal income (“-” for loss)	88,496.00	256,624,954.00
2. Operating profit (“-” for loss)	-74,603,841.00	423,042,564.00
Add: Non-operating income	-1,771,503.00	67,299,176.00
Less: Non-operating expense	909,455.00	1,762,001.00
3. Gross profit (“-” for loss)	-77,284,799.00	488,579,739.00
Less: Income tax expense		
4. Net profit (“-” for net loss)	-77,284,799.00	488,579,739.00
4.1 Net profit from continuing operations (“-” for net loss)	-77,284,799.00	488,579,739.00
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	8,987,973.00	49,539,268.00
5.1 Items that will not be reclassified to profit or loss	641,118.00	20,973,409.00
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	641,118.00	20,973,409.00
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	8,346,855.00	28,565,859.00
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method	8,346,855.00	28,379,224.00
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		186,635.00
6. Total comprehensive income	-68,296,826.00	538,119,007.00
7. Earnings per share		
7.1 Basic earnings per share	N/A	N/A
7.2 Diluted earnings per share	N/A	N/A

5. Consolidated Income Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Total revenues	48,833,159,938.00	58,904,374,914.00
Including: Revenue	48,709,987,251.00	58,817,666,092.00
Interest income	123,172,687.00	86,708,822.00
Insurance premium income		
Fee and commission income		
2. Costs and expenses	49,698,704,134.00	59,149,896,807.00
Including: Cost of sales	43,507,752,953.00	51,216,771,448.00
Interest expense	25,967,987.00	13,129,607.00
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	147,380,452.00	289,281,187.00
Selling expense	548,204,916.00	2,582,419,684.00
Administrative expense	1,215,567,756.00	1,559,794,269.00
R&D expense	2,800,775,204.00	2,603,121,743.00
Finance costs	1,453,054,866.00	885,378,869.00
Including: Interest	1,663,333,175.00	1,531,338,739.00

expense		
Interest	297,750,444.00	346,654,556.00
income		
Add: Other income	1,254,526,018.00	1,439,033,065.00
Return on investment (“-” for loss)	1,951,687,393.00	2,582,149,708.00
Including: Share of profit or loss of joint ventures and associates	1,293,666,489.00	1,050,534,922.00
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)	321,274.00	-11,364,959.00
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	294,474,510.00	360,480,571.00
Credit impairment loss (“-” for loss)	7,074,256.00	-21,601,368.00
Asset impairment loss (“-” for loss)	-708,096,422.00	-397,698,940.00
Asset disposal income (“-” for loss)	931,334.00	2,171,307.00
3. Operating profit (“-” for loss)	1,935,374,167.00	3,707,647,491.00
Add: Non-operating income	496,388,240.00	128,111,130.00
Less: Non-operating expense	31,308,402.00	23,468,759.00
4. Gross profit (“-” for loss)	2,400,454,005.00	3,812,289,862.00
Less: Income tax expense	338,749,095.00	324,875,555.00
5. Net profit (“-” for net loss)	2,061,704,910.00	3,487,414,307.00
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	2,061,704,910.00	2,155,327,307.00
5.1.2 Net profit from discontinued operations (“-” for net loss)		1,332,087,000.00
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	2,025,175,746.00	2,577,329,981.00
5.2.1 Net profit attributable to non-controlling interests	36,529,164.00	910,084,326.00
6. Other comprehensive income, net of tax	184,621,267.00	486,458,995.00
Attributable to owners of the Company	220,697,688.00	322,801,953.00

as the parent		
6.1 Items that will not be reclassified to profit or loss	-26,301,283.00	10,569,895.00
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	-5,592,197.00	26,584,508.00
6.1.3 Changes in the fair value of investments in other equity instruments	-20,709,086.00	-15,116,675.00
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		-897,938.00
6.2 Items that will be reclassified to profit or loss	246,998,971.00	312,232,058.00
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method	78,939,921.00	-148,175,755.00
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	48,139,564.00	-81,314,957.00
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	119,919,486.00	541,722,770.00
6.2.7 Other		
Attributable to non-controlling interests	-36,076,421.00	163,657,042.00
7. Total comprehensive income	2,246,326,177.00	3,973,873,302.00
Attributable to owners of the Company as the parent	2,245,873,434.00	2,900,131,934.00
Attributable to non-controlling interests	452,743.00	1,073,741,368.00
8. Earnings per share		
8.1 Basic earnings per share	0.1563	0.1946

8.2 Diluted earnings per share	0.1497	0.1902
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Legal representative: Li Dongsheng

Person-in-charge of financial affairs: Du Juan

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

6. Income Statement of the Company as the Parent for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Revenue	838,064,997.00	1,307,562,446.00
Less: Cost of sales	657,228,381.00	1,147,964,483.00
Taxes and levies	4,850,677.00	9,260,334.00
Selling expense	12,141,079.00	19,930,919.00
Administrative expense	274,612,165.00	241,010,707.00
R&D expense	86,941,389.00	80,232,047.00
Finance costs	881,790,014.00	650,227,534.00
Including: Interest expense	1,408,282,484.00	1,009,268,066.00
Interest income	545,183,243.00	396,745,068.00
Add: Other income	15,329,412.00	4,958,600.00
Return on investment (“-” for loss)	1,742,123,364.00	1,103,949,851.00
Including: Share of profit or loss of joint ventures and associates	874,371,626.00	887,726,773.00
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)	102,312,826.00	44,716,834.00
Credit impairment loss (“-” for loss)	599,982.00	2,741,266.00
Asset impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)	88,496.00	256,615,165.00
2. Operating profit (“-” for loss)	780,955,372.00	571,918,138.00
Add: Non-operating income	484,516,543.00	77,307,037.00
Less: Non-operating expense	8,488,739.00	9,065,602.00

3. Gross profit (“-” for loss)	1,256,983,176.00	640,159,573.00
Less: Income tax expense		
4. Net profit (“-” for net loss)	1,256,983,176.00	640,159,573.00
4.1 Net profit from continuing operations (“-” for net loss)	1,256,983,176.00	640,159,573.00
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	73,705,740.00	81,669,317.00
5.1 Items that will not be reclassified to profit or loss	-5,592,197.00	20,973,409.00
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	-5,592,197.00	20,973,409.00
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	79,297,937.00	60,695,908.00
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method	79,297,937.00	60,509,273.00
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		186,635.00
6. Total comprehensive income	1,330,688,916.00	721,828,890.00

7. Earnings per share		
7.1 Basic earnings per share	N/A	N/A
7.2 Diluted earnings per share	N/A	N/A

7. Consolidated Cash Flow Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	50,348,052,437.00	62,445,844,833.00
Net increase in customer deposits and deposits from other banks and financial institutions	1,984,254,690.00	1,726,469,676.00
Net increase in borrowings from the central bank	661,882,266.00	90,420,078.00
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	123,172,687.00	86,708,822.00
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	2,691,374,733.00	2,937,257,381.00
Cash generated from other operating activities	1,704,768,084.00	1,928,746,345.00
Subtotal of cash generated from operating activities	57,513,504,897.00	69,215,447,135.00
Payments for commodities and services	36,638,895,339.00	47,132,428,452.00
Net increase in loans and advances to customers	-991,814,418.00	3,849,847,076.00
Net increase in deposits in the central bank and other banks and financial	-284,795,549.00	-273,067,081.00

institutions		
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	2,985,796,906.00	3,548,355,254.00
Taxes and levies paid	3,682,068,200.00	3,627,716,700.00
Cash used in other operating activities	3,612,284,290.00	3,720,892,545.00
Subtotal of cash used in operating activities	45,642,434,768.00	61,606,172,946.00
Net cash generated from/used in operating activities	11,871,070,129.00	7,609,274,189.00
2. Cash flows from investing activities:		
Proceeds from disinvestment	17,115,227,387.00	18,373,451,069.00
Return on investment	783,085,375.00	730,526,027.00
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	148,840.00	92,766,770.00
Net proceeds from the disposal of subsidiaries and other business units	303,139,290.00	863,813,211.00
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	18,201,600,892.00	20,060,557,077.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	23,959,069,555.00	14,853,883,306.00
Payments for investments	34,796,469,202.00	24,810,844,947.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		170,197,901.00
Cash used in other investing activities	23,279,913.00	7,118,896,267.00
Subtotal of cash used in investing activities	58,778,818,670.00	46,953,822,421.00
Net cash generated from/used in investing activities	-40,577,217,778.00	-26,893,265,344.00
3. Cash flows from financing activities:		

Capital contributions received	3,262,240,000.00	7,530,780,247.00
Including: Capital contributions by non-controlling interests to subsidiaries	3,262,240,000.00	7,523,571,607.00
Borrowings received	53,060,270,869.00	30,186,401,095.00
Cash generated from other financing activities	473,470,318.00	2,017,417,200.00
Subtotal of cash generated from financing activities	56,795,981,187.00	39,734,598,542.00
Repayment of borrowings	28,146,415,143.00	23,925,281,321.00
Interest and dividends paid	4,080,360,106.00	3,700,800,263.00
Including: Dividends paid by subsidiaries to non-controlling interests	279,523,652.00	99,072,668.00
Cash used in other financing activities	1,083,465,759.00	2,150,539,531.00
Subtotal of cash used in financing activities	33,310,241,008.00	29,776,621,115.00
Net cash generated from/used in financing activities	23,485,740,179.00	9,957,977,427.00
4. Effect of foreign exchange rates changes on cash and cash equivalents	-46,170,424.00	657,452,489.00
5. Net increase in cash and cash equivalents	-5,266,577,894.00	-8,668,561,239.00
Add: Cash and cash equivalents, beginning of the period	17,637,742,929.00	25,702,383,482.00
6. Cash and cash equivalents, end of the period	12,371,165,035.00	17,033,822,243.00

8. Cash Flow Statement of the Company as the Parent for Q1~Q3

Unit: RMB

Item	Q1~Q3 2020	Q1~Q3 2019
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	940,689,494.00	1,143,838,588.00
Tax and levy rebates	1,073,352.00	690,755.00
Cash generated from other operating activities	5,024,481,872.00	14,276,992,714.00
Subtotal of cash generated from operating activities	5,966,244,718.00	15,421,522,057.00
Payments for commodities and services	911,465,646.00	1,229,934,222.00

Cash paid to and for employees	136,915,723.00	120,421,860.00
Taxes and levies paid	21,333,420.00	53,164,105.00
Cash used in other operating activities	1,310,184,966.00	1,161,090,996.00
Subtotal of cash used in operating activities	2,379,899,755.00	2,564,611,183.00
Net cash generated from/used in operating activities	3,586,344,963.00	12,856,910,874.00
2. Cash flows from investing activities:		
Proceeds from disinvestment	7,079,430,025.00	13,841,885,978.00
Return on investment	5,373,342,218.00	638,304,881.00
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	760.00	141,657.00
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	12,452,773,003.00	14,480,332,516.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	33,750,534.00	3,836,282.00
Payments for investments	26,261,636,831.00	12,209,066,918.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	23,279,913.00	
Subtotal of cash used in investing activities	26,318,667,278.00	12,212,903,200.00
Net cash generated from/used in investing activities	-13,865,894,275.00	2,267,429,316.00
3. Cash flows from financing activities:		
Capital contributions received		7,208,640.00
Borrowings received	33,049,034,080.00	9,058,956,000.00
Cash generated from other financing activities	60,300,000.00	2,000,000,000.00
Subtotal of cash generated from financing activities	33,109,334,080.00	11,066,164,640.00
Repayment of borrowings	19,697,628,200.00	12,740,956,000.00
Interest and dividends paid	2,189,458,151.00	2,202,303,594.00

Cash used in other financing activities	77,117,687.00	1,837,149,002.00
Subtotal of cash used in financing activities	21,964,204,038.00	16,780,408,596.00
Net cash generated from/used in financing activities	11,145,130,042.00	-5,714,243,956.00
4. Effect of foreign exchange rates changes on cash and cash equivalents	-12,865,485.00	-27,037,253.00
5. Net increase in cash and cash equivalents	852,715,245.00	9,383,058,981.00
Add: Cash and cash equivalents, beginning of the period	3,941,090,221.00	1,328,680,629.00
6. Cash and cash equivalents, end of the period	4,793,805,466.00	10,711,739,610.00

II Adjustments to the Financial Statements

1. Adjustments to the Financial Statements at the Beginning of the First Execution Year (2020) of the New Accounting Standards Governing Revenue and Leases

Consolidated balance sheet:

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment
Current assets:			
Monetary assets	18,648,184,663.00	18,648,184,663.00	
Settlement reserve			
Loans to other banks and financial institutions			
Held-for-trading financial assets	6,074,750,918.00	6,074,750,918.00	
Derivative financial assets	159,035,592.00	159,035,592.00	
Notes receivable	228,941,977.00	228,941,977.00	
Accounts receivable	8,340,353,992.00	8,340,353,992.00	
Receivables financing			
Prepayments	364,422,948.00	364,422,948.00	
Premiums receivable			
Reinsurance receivables			
Receivable reinsurance contract reserve			
Other receivables	2,750,041,514.00	2,750,041,514.00	

Including: Interest receivable			
Dividends receivable	5,771,104.00	5,771,104.00	
Financial assets purchased under resale agreements			
Inventories	5,677,963,123.00	5,677,963,123.00	
Contract assets			
Assets held for sale			
Current portion of non-current assets			
Other current assets	5,911,827,639.00	5,911,827,639.00	
Total current assets	48,155,522,366.00	48,155,522,366.00	
Non-current assets:			
Loans and advances to customers	3,637,768,065.00	3,637,768,065.00	
Debt investments	20,373,264.00	20,373,264.00	
Other debt investments			
Long-term receivables			
Long-term equity investments	17,194,284,162.00	17,194,284,162.00	
Investments in other equity instruments	279,883,515.00	279,883,515.00	
Other non-current financial assets	2,542,689,268.00	2,542,689,268.00	
Investment property	82,272,964.00	82,272,964.00	
Fixed assets	45,459,070,330.00	45,459,070,330.00	
Construction in progress	33,578,289,802.00	33,578,289,802.00	
Productive living assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets	5,684,584,119.00	5,684,584,119.00	
Development costs	1,548,470,972.00	1,548,470,972.00	
Goodwill	2,452,186.00	2,452,186.00	
Long-term prepaid expense	1,567,690,992.00	1,567,690,992.00	
Deferred income tax assets	840,874,034.00	840,874,034.00	

Other non-current assets	4,250,658,887.00	4,250,658,887.00	
Total non-current assets	116,689,362,560.00	116,689,362,560.00	
Total assets	164,844,884,926.00	164,844,884,926.00	
Current liabilities:			
Short-term borrowings	12,069,657,099.00	12,069,657,099.00	
Borrowings from the central bank	573,222,113.00	573,222,113.00	
Loans from other banks and financial institutions			
Held-for-trading financial liabilities	188,220,097.00	188,220,097.00	
Derivative financial liabilities	84,704,591.00	84,704,591.00	
Notes payable	1,720,401,552.00	1,720,401,552.00	
Accounts payable	11,549,133,141.00	11,549,133,141.00	
Advances from customers	141,748,956.00	5,499,574.00	-136,249,382.00
Contract liabilities		133,818,206.00	133,818,206.00
Financial assets sold under repurchase agreements			
Customer deposits and deposits from other banks and financial institutions	1,355,128,509.00	1,355,128,509.00	
Payables for acting trading of securities			
Payables for underwriting of securities			
Employee benefits payable	1,094,216,685.00	1,094,216,685.00	
Taxes and levies payable	226,806,037.00	226,806,037.00	
Other payables	12,293,565,901.00	12,293,565,901.00	
Including: Interest payable			
Dividends payable	11,058,225.00	11,058,225.00	
Fees and commissions payable			
Reinsurance payables			
Liabilities directly associated with assets held for sale			

Current portion of non-current liabilities	1,691,963,496.00	1,691,963,496.00	
Other current liabilities	69,021,962.00	71,453,138.00	2,431,176.00
Total current liabilities	43,057,790,139.00	43,057,790,139.00	
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings	38,512,059,200.00	38,512,059,200.00	
Bonds payable	16,479,085,461.00	16,479,085,461.00	
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables	24,206,057.00	24,206,057.00	
Long-term employee benefits payable	23,017,619.00	23,017,619.00	
Provisions			
Deferred income	1,912,421,056.00	1,912,421,056.00	
Deferred income tax liabilities	952,677,822.00	952,677,822.00	
Other non-current liabilities	482,232.00	482,232.00	
Total non-current liabilities	57,903,949,447.00	57,903,949,447.00	
Total liabilities	100,961,739,586.00	100,961,739,586.00	
Owners' equity:			
Share capital	13,528,438,719.00	13,528,438,719.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	5,716,667,384.00	5,716,667,384.00	
Less: Treasury stock	1,952,956,751.00	1,952,956,751.00	
Other comprehensive income	-534,081,855.00	-534,081,855.00	
Specific reserve			
Surplus reserves	2,238,368,089.00	2,238,368,089.00	
General reserve	360,766.00	360,766.00	

Retained earnings	11,115,149,885.00	11,115,149,885.00	
Total equity attributable to owners of the Company as the parent	30,111,946,237.00	30,111,946,237.00	
Non-controlling interests	33,771,199,103.00	33,771,199,103.00	
Total owners' equity	63,883,145,340.00	63,883,145,340.00	
Total liabilities and owners' equity	164,844,884,926.00	164,844,884,926.00	

Balance sheet of the Company as the parent:

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment
Current assets:			
Monetary assets	3,966,899,016.00	3,966,899,016.00	
Held-for-trading financial assets	2,969,105,570.00	2,969,105,570.00	
Derivative financial assets			
Notes receivable	22,514,486.00	22,514,486.00	
Accounts receivable	445,089,599.00	445,089,599.00	
Receivables financing			
Prepayments	97,127,177.00	97,127,177.00	
Other receivables	17,129,473,443.00	17,129,473,443.00	
Including: Interest receivable			
Dividends receivable	4,211,824,115.00	4,211,824,115.00	
Inventories	14,868,714.00	14,868,714.00	
Contract assets			
Assets held for sale			
Current portion of non-current assets			
Other current assets	6,471,074.00	6,471,074.00	
Total current assets	24,651,549,079.00	24,651,549,079.00	
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			

Long-term equity investments	39,297,272,437.00	39,297,272,437.00	
Investments in other equity instruments	15,000,000.00	15,000,000.00	
Other non-current financial assets	1,540,912,643.00	1,540,912,643.00	
Investment property	92,622,685.00	92,622,685.00	
Fixed assets	54,238,373.00	54,238,373.00	
Construction in progress	1,241,308.00	1,241,308.00	
Productive living assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets	19,144,884.00	19,144,884.00	
Development costs			
Goodwill			
Long-term prepaid expense	454,968,882.00	454,968,882.00	
Deferred income tax assets			
Other non-current assets			
Total non-current assets	41,475,401,212.00	41,475,401,212.00	
Total assets	66,126,950,291.00	66,126,950,291.00	
Current liabilities:			
Short-term borrowings	6,484,481,271.00	6,484,481,271.00	
Held-for-trading financial liabilities			
Derivative financial liabilities	5,980,760.00	5,980,760.00	
Notes payable	30,282,528.00	30,282,528.00	
Accounts payable	424,224,599.00	424,224,599.00	
Advances from customers	17,470,841.00	80,718.00	-17,390,123.00
Contract liabilities		17,390,123.00	17,390,123.00
Employee benefits payable	125,095,153.00	125,095,153.00	
Taxes and levies payable	10,354,865.00	10,354,865.00	
Other payables	9,347,609,813.00	9,347,609,813.00	
Including: Interest payable			

Dividends payable	11,057,515.00	11,057,515.00	
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities	847,326,922.00	847,326,922.00	
Other current liabilities			
Total current liabilities	17,292,826,752.00	17,292,826,752.00	
Non-current liabilities:			
Long-term borrowings	2,110,000,000.00	2,110,000,000.00	
Bonds payable	16,479,085,461.00	16,479,085,461.00	
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable	23,017,619.00	23,017,619.00	
Provisions			
Deferred income	51,561,600.00	51,561,600.00	
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	18,663,664,680.00	18,663,664,680.00	
Total liabilities	35,956,491,432.00	35,956,491,432.00	
Owners' equity:			
Share capital	13,528,438,719.00	13,528,438,719.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	8,382,776,032.00	8,382,776,032.00	
Less: Treasury stock	1,952,956,751.00	1,952,956,751.00	
Other comprehensive income	56,064,337.00	56,064,337.00	

Specific reserve			
Surplus reserves	2,036,303,650.00	2,036,303,650.00	
Retained earnings	8,119,832,872.00	8,119,832,872.00	
Total owners' equity	30,170,458,859.00	30,170,458,859.00	
Total liabilities and owners' equity	66,126,950,291.00	66,126,950,291.00	

2. Retrospective Adjustments to the Comparative Data of Prior Periods due to the First Execution in 2020 of the New Accounting Standards Governing Revenue and Leases

The Company has adopted since 1 January 2020 the Accounting Standard No. 14 for Business Enterprises-Revenue revised by the Ministry of Finance in 2017.

As required by the new revenue standard, retained earnings and other relevant financial statement items at the beginning of the period when the new revenue standard was first adopted (1 January 2020) should be adjusted according to the cumulative effects arising from the first adoption of the new revenue standard, and data of the comparable periods should not be adjusted.

When executing the new revenue standard, the Company considered adjustments only for the cumulative effects in respect of the outstanding contracts on the date of the standard's first adoption; and did not make retrospective adjustments in respect of the changes that had occurred to contracts before the beginning of the earliest comparable period or before the beginning of 2020, but according to the final arrangements of the contract changes, identified the fulfilled and unfulfilled performance obligations, determined the transaction price and distributed the transaction price to the fulfilled and unfulfilled performance obligations. The effects of the adoption of the new revenue standard on the presentation of the balance sheet items as at the beginning of the current period are as follows:

Item	Carrying amount as per the former revenue standard	Effect of reclassification	Effect of remeasurement	Carrying amount as per the revised revenue standard
Advances from customers	141,748,956.00	-136,249,382.00		5,499,574.00
Contract liabilities		133,818,206.00		133,818,206.00
Other current liabilities	69,021,962.00	2,431,176.00		71,453,138.00

III Independent Auditor's Report

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

Yes No

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