

Nanjing Putian Telecommunications Co., Ltd.
First Quarterly Report 2021

April 2021

Section I. Important Notice

Board of Directors and the Supervisory Committee of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

All Directors are attended the Board Meeting for Quarterly Report deliberation. Wang Wenkui, Principal of the Company, Wang Huailin, person in charger of accounting works and Tang Yiqiao, person in charge of accounting organ (accounting principal) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

Section II. Company Profile

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	At the reporting period	At the same period of last year	Changes of this period over same period of last year
Operating income (RMB)	190,510,440.63	151,862,432.34	25.45%
Net profit attributable to shareholders of the listed company (RMB)	-15,982,760.06	-30,609,179.61	47.78%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-16,485,198.74	-33,044,537.66	50.11%
Net cash flow arising from operating activities (RMB)	-81,930,160.48	-19,005,983.54	-331.08%
Basic earnings per share (RMB/Share)	-0.074	-0.142	47.89%
Diluted earnings per share (RMB/Share)	-0.074	-0.142	47.89%
Weighted average ROE	-8.80%	-19.85%	11.05%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year
Total assets (RMB)	1,091,284,591.48	1,167,608,410.82	-6.54%
Net assets attributable to shareholder of listed company (RMB)	173,641,400.86	189,624,160.92	-8.43%

Items of non-recurring gains and losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	15,829.32	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	465,000.00	
Other non-operating income and expenditure except for the	26,555.76	

aforementioned items		
Less: impact on income tax	0.00	
Impact on minority shareholders' equity (post-tax)	4,946.40	
Total	502,438.68	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

II. Total number of shareholders at the end of this report period and top ten shareholders

1. Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the end of report period	8,346	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
China Potevio Company Limited	State-owned corporation	53.49%	115,000,000	115,000,000		
Shenwan HongYuan (H.K.) Limited	Foreign corporation	2.97%	6,386,820	0		
Zheng Enyue	Domestic nature person	1.14%	2,449,739	0		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.94%	2,023,450	0		
Sun Huiming	Domestic nature person	0.93%	2,007,110	0		

Gu Jinhua	Domestic nature person	0.87%	1,871,371	0	
Guosen Securities (H.K.) Broker Co., Ltd.	Foreign corporation	0.85%	1,828,682	0	
BOCI SECURITIES LIMITED	Foreign corporation	0.59%	1,266,945	0	
Zhen Hongquan	Domestic nature person	0.43%	924,000	0	
Xiang Yan	Domestic nature person	0.42%	905,602	0	
The top ten circulation shareholders shareholdings					
Shareholder's name	Amount of listed circulation shares held	Type of shares			
		Type	Amount		
Shenwan HongYuan (H.K.) Limited	6,386,820	Domestically listed foreign shares	6,386,820		
Zheng Enyue	2,449,739	Domestically listed foreign shares	2,449,739		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	2,023,450	Domestically listed foreign shares	2,023,450		
Sun Huiming	2,007,110	Domestically listed foreign shares	2,007,110		
Gu Jinhua	1,871,371	Domestically listed foreign shares	1,871,371		
Guosen Securities (H.K.) Broker Co., Ltd.	1,828,682	Domestically listed foreign shares	1,828,682		
BOCI SECURITIES LIMITED	1,266,945	Domestically listed foreign shares	1,266,945		
Zhen Hongquan	924,000	Domestically listed foreign shares	924,000		

Xiang Yan	905,602	Domestically listed foreign shares	905,602
Liang Wei	772,800	Domestically listed foreign shares	772,800
Note of related relationship among the above shareholders and concerted actors	Among the top ten shareholders, China Potevio is neither a related party nor a person acting in concert with the others. It's unknown by the Company whether there are related parties or persons acting in concert among the other shareholders.		
Explanation on top ten common shareholders involving margin business (if applicable)	N/A		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

Section III. Significant Events

I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√ Applicable □ Not applicable

Item	March 31, 2021	March 31, 2020	Amount of changes (RMB)	Changes ratio (%)	Reasons of great changes
Monetary funds	123,072,316.52	209,849,710.96	-86,777,394.44	-41.35%	Payment for goods during the reporting period
Notes receivable	4,926,952.01	17,029,051.04	-12,102,099.03	-71.07%	Endorsed transfer of acceptance notes
Advance payment	31,331,703.57	19,616,348.65	11,715,354.92	59.72%	Advance payment to suppliers during the reporting period
Short-term loan	118,500,000.00	65,000,000.00	53,500,000.00	82.31%	Loans at the end of the period increased from the beginning of the year
Taxes payable	1,885,458.21	8,707,248.67	-6,821,790.46	-78.35%	Payment of taxes accrued in the previous period during the reporting period
	January-March 2021	January-March 2020	Amount of changes (RMB)	Changes ratio (%)	Reasons of great changes
Financial expenses	1,238,209.42	6,900,334.12	-5,662,124.70	-82.06%	Interest expenses decreased year-on-year
Other income	1,030,696.83	3,534,427.01	-2,503,730.18	-70.84%	Government subsidies decreased year-on-year
Operating profit	-16,764,387.06	-31,339,147.31	14,574,760.25	46.51%	During the reporting period, with the effective control of the COVID-19, the company increased its market development efforts, and sales revenue increased over the same period of the previous year. At the same time, the company continued to strengthen internal management and strengthened cost control. During the reporting period, losses were reduced year-on-year.
The total profit	-16,737,831.30	-31,249,679.72	14,511,848.42	46.44%	
Net profit	-17,481,672.55	-31,324,708.48	13,843,035.93	44.19%	
Net profit attributable to shareholders of the parent company	-15,982,760.06	-30,609,179.61	14,626,419.55	47.78%	
Net cash flow from operating activities	-81,930,160.48	-19,005,983.54	-62,924,176.94	-331.08%	

					period increased year-on-year
Subtotal of cash inflows from financing activities	78,500,000.00	60,000,000.00	18,500,000.00	30.83%	Year-on-year increase in loans during the reporting period
Subtotal of cash outflows from financing activities	40,360,321.79	124,823,986.06	-84,463,664.27	-67.67%	Loans returned during the reporting period decreased year-on-year
Net cash flow from financing activities	38,139,678.21	-64,823,986.06	102,963,664.27	158.84%	During the reporting period, loans obtained increased year-on-year, while loans returned decreased year-on-year.
Net increase in cash and cash equivalents	-46,725,320.02	-87,374,861.17	40,649,541.15	46.52%	Mainly because of the increase in cash flow from financing activities compared with the same period last year

II. Analysis and explanation of significant events and their influence and solutions

Applicable Not applicable

Progress of shares buy-back

Applicable Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable Not applicable

III. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies

Applicable Not applicable

The Company has no commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies.

IV. Financial asset investment

1. Securities investment

Applicable Not applicable

No security investment in the Period.

2. Derivative investment

Applicable Not applicable

No derivative investment in the Period.

V. Progress of investment projects with raised funds

Applicable Not applicable

VI. Prediction of business performance from January – June 2021

Estimation on accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation on reason

Applicable Not applicable

VII. Major contracts for daily operations

Applicable Not applicable

VIII. Trust financing

Applicable Not applicable

No trust financing in the Period.

IX. Guarantee outside against the regulation

Applicable Not applicable

The Company had no guarantee outside against the regulation in the period.

X. Non-operational fund occupation from controlling shareholders and its related party

Applicable Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

XI. Registration form for receiving research, communication and interview in the report period

Applicable Not applicable

The Company had no receiving research, communication or interview in the report period.

IV. Financial statement

I. Financial statement

1. Consolidated balance sheet

Prepared by Nanjing Putian Telecommunications Co., Ltd.

March 31, 2021

In RMB

Item	March 31, 2021	March 31, 2020
Current assets:		
Monetary fund	123,072,316.52	209,849,710.96
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Note receivable	4,926,952.01	17,029,051.04
Account receivable	482,100,478.36	493,992,403.49
Receivable financing	33,554,019.92	32,594,702.60
Accounts paid in advance	31,331,703.57	19,616,348.65
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	20,250,353.22	16,911,790.31
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	216,639,925.53	199,641,972.32
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	13,258,778.62	13,126,022.08

Total current assets	925,134,527.75	1,002,762,001.45
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	10,421,985.58	10,422,056.96
Investment in other equity instrument	741,953.00	741,953.00
Other non-current financial assets	0.00	
Investment real estate	4,221,952.49	4,267,013.35
Fixed assets	100,125,554.50	100,158,063.58
Construction in progress	23,794,810.14	22,454,792.27
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	21,072,823.84	21,261,119.40
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	5,770,984.18	5,541,410.81
Deferred income tax asset		
Other non-current asset		
Total non-current asset	166,150,063.73	164,846,409.37
Total assets	1,091,284,591.48	1,167,608,410.82
Current liabilities:		
Short-term loans	118,500,000.00	65,000,000.00
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable	66,035,010.10	76,135,010.10
Account payable	525,603,913.86	604,765,586.00
Accounts received in advance		

Contractual liability	27,472,415.99	28,518,252.40
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	14,195,321.27	17,362,878.28
Taxes payable	1,885,458.21	8,707,248.67
Other account payable	44,481,367.53	53,759,120.63
Including: Interest payable		
Dividend payable	1,692,213.38	4,044,213.38
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	6,550,141.14	9,181,720.08
Other current liabilities	3,571,414.08	3,707,372.81
Total current liabilities	808,295,042.18	867,137,188.97
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable	4,036,160.05	4,036,160.05
Long-term wages payable		
Accrual liability		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,036,160.05	4,036,160.05

Total liabilities	812,331,202.23	871,173,349.02
Owner's equity:		
Share capital	215,000,000.00	215,000,000.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	183,568,842.44	183,568,842.44
Less: Inventory shares		
Other comprehensive income	-6,853,931.65	-6,853,931.65
Reasonable reserve		
Surplus public reserve	589,559.77	589,559.77
Provision of general risk		
Retained profit	-218,663,069.70	-202,680,309.64
Total owner's equity attributable to parent company	173,641,400.86	189,624,160.92
Minority interests	105,311,988.39	106,810,900.88
Total owner's equity	278,953,389.25	296,435,061.80
Total liabilities and owner's equity	1,091,284,591.48	1,167,608,410.82

Legal Representative: Wang Wenkui

Person in charge of accounting works: Wang Huailin

Person in charge of accounting institute: Tang Yiqiao

2. Balance Sheet of Parent Company

In RMB

Item	March 31, 2021	March 31, 2020
Current assets:		
Monetary funds	61,393,257.86	57,345,349.24
Trading financial assets		
Derivative financial assets		
Note receivable	437,329.77	1,190,734.45
Account receivable	209,560,482.15	218,887,318.18
Receivable financing	483,525.94	

Accounts paid in advance	10,825,475.03	10,138,293.79
Other account receivable	48,768,758.42	50,275,151.96
Including: Interest receivable		
Dividend receivable		
Inventories	76,340,970.05	80,454,321.56
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	6,477,656.56	7,516,579.06
Total current assets	414,287,455.78	425,807,748.24
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	123,831,053.22	123,831,124.60
Investment in other equity instrument	741,953.00	741,953.00
Other non-current financial assets		
Investment real estate		
Fixed assets	44,443,345.55	45,117,637.57
Construction in progress		
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets		
Intangible assets	4,915,591.59	5,006,099.13
Research and development costs		
Goodwill		
Long-term deferred expenses	4,177,391.10	4,461,404.63
Deferred income tax assets		
Other non-current assets		
Total non-current assets	178,109,334.46	179,158,218.93
Total assets	592,396,790.24	604,965,967.17
Current liabilities		
Short-term borrowings	80,000,000.00	30,000,000.00

Trading financial liability		
Derivative financial liability		
Notes payable	66,035,010.10	76,135,010.10
Account payable	192,597,160.32	214,453,536.53
Accounts received in advance		
Contractual liability	13,613,730.10	14,109,283.43
Wage payable	7,920,196.03	7,931,673.97
Taxes payable		115,233.85
Other accounts payable	152,314,850.92	164,586,605.64
Including: Interest payable		
Dividend payable		
Liability held for sale		
Non-current liabilities due within one year	6,550,141.14	9,181,720.08
Other current liabilities	1,769,784.91	1,834,206.85
Total current liabilities	520,800,873.52	518,347,270.45
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable	4,036,160.05	4,036,160.05
Long term employee compensation payable		
Accrued liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,036,160.05	4,036,160.05
Total liabilities	524,837,033.57	522,383,430.50
Owners' equity:		
Share capital	215,000,000.00	215,000,000.00
Other equity instrument		

Including: preferred stock		
Perpetual capital securities		
Capital public reserve	158,864,042.34	158,864,042.34
Less: Inventory shares		
Other comprehensive income	-1,854,910.00	-1,854,910.00
Special reserve		
Surplus reserve	589,559.76	589,559.76
Retained profit	-305,038,935.43	-290,016,155.43
Total owner's equity	67,559,756.67	82,582,536.67
Total liabilities and owner's equity	592,396,790.24	604,965,967.17

3. Consolidated Profit Statement

In RMB

Item	Current period	Last period
I. Total operating income	190,510,440.63	151,862,432.34
Including: Operating income	190,510,440.63	151,862,432.34
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	209,996,198.13	186,811,539.58
Including: Operating cost	154,170,044.93	121,884,114.71
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	1,183,624.90	1,298,779.64
Sales expense	25,018,102.51	29,309,025.78
Administrative expense	14,682,748.04	14,492,379.95

R&D expense	13,703,468.33	12,926,905.38
Financial expense	1,238,209.42	6,900,334.12
Including: Interest expenses	1,092,615.74	6,719,699.51
Interest income	255,546.16	241,086.66
Add: other income	1,030,696.83	3,534,427.01
Investment income (Loss is listed with “-”)	-71.38	
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)	1,674,915.67	
Losses of devaluation of asset (Loss is listed with “-”)		75,263.91
Income from assets disposal (Loss is listed with “-”)	15,829.32	269.01
III. Operating profit (Loss is listed with “-”)	-16,764,387.06	-31,339,147.31
Add: Non-operating income	30,248.66	96,000.00
Less: Non-operating expense	3,692.90	6,532.41
IV. Total profit (Loss is listed with “-”)	-16,737,831.30	-31,249,679.72
Less: Income tax expense	743,841.25	75,028.76
V. Net profit (Net loss is listed with “-”)	-17,481,672.55	-31,324,708.48
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	-17,481,672.55	-31,324,708.48
2.termination of net profit (net loss listed with “-”)		

(ii) Classify by ownership		
1.Net profit attributable to owner's of parent company	-15,982,760.06	-30,609,179.61
2.Minority shareholders' gains and losses	-1,498,912.49	-715,528.87
VI. Net after-tax of other comprehensive income		0.15
Net after-tax of other comprehensive income attributable to owners of parent company		0.14
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		0.14
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency		0.14

financial statements		
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		0.01
VII. Total comprehensive income	-17,481,672.55	-31,324,708.33
Total comprehensive income attributable to owners of parent Company	-15,982,760.06	-30,609,179.47
Total comprehensive income attributable to minority shareholders	-1,498,912.49	-715,528.86
VIII. Earnings per share:		
(i) Basic earnings per share	-0.074	-0.142
(ii) Diluted earnings per share	-0.074	-0.142

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

Legal Representative: Wang Wenkui

Person in charge of accounting works: Wang Huailin

Person in charge of accounting institute: Tang Yiqiao

4. Profit Statement of Parent Company

In RMB

Item	Current period	Last period
I. Operating income	29,925,904.77	21,803,267.77
Less: Operating cost	27,171,502.50	22,054,362.07
Taxes and surcharge	403,011.53	234,477.91
Sales expenses	7,470,346.14	9,990,064.44
Administration expenses	7,474,969.56	5,816,804.15
R&D expenses	2,490,157.82	2,052,466.20
Financial expenses	439,459.82	6,125,078.71
Including: interest expenses	473,204.61	5,885,491.91
Interest income	56,798.20	145,758.67
Add: other income	465,000.00	1,226,520.65
Investment income (Loss is	-71.38	29,100,000.00

listed with “-”)		
Including: Investment income on affiliated Company and joint venture		
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Changing income of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)		
Losses of devaluation of asset (Loss is listed with “-”)		7,043.75
Income on disposal of assets (Loss is listed with “-”)	15,829.32	
II. Operating profit (Loss is listed with “-”)	-15,042,784.66	5,863,578.69
Add: Non-operating income	22,004.66	5,000.00
Less: Non-operating expense	2,000.00	6,532.41
III. Total Profit (Loss is listed with “-”)	-15,022,780.00	5,862,046.28
Less: Income tax		
IV. Net profit (Net loss is listed with “-”)	-15,022,780.00	5,862,046.28
(i)continuous operating net profit (net loss listed with “-”)	-15,022,780.00	5,862,046.28
(ii) termination of net profit (net loss listed with “-”)		
V. Net after-tax of other comprehensive income		
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		

3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	-15,022,780.00	5,862,046.28
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Cash Flow Statement

In RMB

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	250,243,378.15	252,361,206.16
Net increase of customer deposit		

and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	858,730.09	1,358,428.48
Other cash received concerning operating activities	6,028,610.89	15,822,757.39
Subtotal of cash inflow arising from operating activities	257,130,719.13	269,542,392.03
Cash paid for purchasing commodities and receiving labor service	236,381,924.51	200,816,653.87
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	52,415,599.29	48,691,757.30

Taxes paid	12,949,793.34	11,886,058.24
Other cash paid concerning operating activities	37,313,562.47	27,153,906.16
Subtotal of cash outflow arising from operating activities	339,060,879.61	288,548,375.57
Net cash flows arising from operating activities	-81,930,160.48	-19,005,983.54
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	31,890.00	800.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	31,890.00	800.00
Cash paid for purchasing fixed, intangible and other long-term assets	3,047,327.00	3,666,668.11
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	3,047,327.00	3,666,668.11
Net cash flows arising from investing activities	-3,015,437.00	-3,665,868.11
III. Cash flows arising from financing activities		
Cash received from absorbing investment		

Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	78,500,000.00	60,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	78,500,000.00	60,000,000.00
Cash paid for settling debts	27,631,578.94	109,180,771.46
Cash paid for dividend and profit distributing or interest paying	2,996,172.08	15,519,247.38
Including: Dividend and profit of minority shareholder paid by subsidiaries		10,846,600.00
Other cash paid concerning financing activities	9,732,570.77	123,967.22
Subtotal of cash outflow from financing activities	40,360,321.79	124,823,986.06
Net cash flows arising from financing activities	38,139,678.21	-64,823,986.06
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	80,599.25	120,976.54
V. Net increase of cash and cash equivalents	-46,725,320.02	-87,374,861.17
Add: Balance of cash and cash equivalents at the period -begin	170,062,746.87	208,783,866.60
VI. Balance of cash and cash equivalents at the period -end	123,337,426.85	121,409,005.43

6. Cash Flow Statement of Parent Company

In RMB

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	40,374,627.59	114,563,187.22

Write-back of tax received	13,708.42	
Other cash received concerning operating activities	39,217,058.42	25,418,803.04
Subtotal of cash inflow arising from operating activities	79,605,394.43	139,981,990.26
Cash paid for purchasing commodities and receiving labor service	46,228,104.06	33,854,921.52
Cash paid to/for staff and workers	16,719,330.82	19,081,655.33
Taxes paid	441,118.43	467,518.05
Other cash paid concerning operating activities	14,919,488.58	45,743,659.74
Subtotal of cash outflow arising from operating activities	78,308,041.89	99,147,754.64
Net cash flows arising from operating activities	1,297,352.54	40,834,235.62
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		29,100,000.00
Net cash received from disposal of fixed, intangible and other long-term assets	31,890.00	
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	31,890.00	29,100,000.00
Cash paid for purchasing fixed, intangible and other long-term assets		
Cash paid for investment		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		

Subtotal of cash outflow from investing activities		
Net cash flows arising from investing activities	31,890.00	29,100,000.00
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	50,000,000.00	20,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	50,000,000.00	20,000,000.00
Cash paid for settling debts	2,631,578.94	69,180,771.46
Cash paid for dividend and profit distributing or interest paying	262,247.08	5,148,927.11
Other cash paid concerning financing activities	11,391,500.00	
Subtotal of cash outflow from financing activities	14,285,326.02	74,329,698.57
Net cash flows arising from financing activities	35,714,673.98	-54,329,698.57
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	37,043,916.52	15,604,537.05
Add: Balance of cash and cash equivalents at the period -begin	24,349,341.34	25,794,743.17
VI. Balance of cash and cash equivalents at the period -end	61,393,257.86	41,399,280.22

II. Explanation on financial statement adjustment

1. Financial statement adjustment at the beginning of the first year when implementation of new leasing rules from 2021

Applicable Not applicable

Whether to adjust the balance sheet account at the beginning of the year

Yes No

Consolidate balance sheet

In RMB

Item	December 31, 2020	January 1, 2021	Adjustment
Current assets:			
Monetary fund	209,849,710.96	209,849,710.96	
Note receivable	17,029,051.04	17,029,051.04	
Accounts receivable	493,992,403.49	493,992,403.49	
Account financing	32,594,702.60	32,594,702.60	
Account paid in advance	19,616,348.65	19,616,348.65	
Other account receivable	16,911,790.31	16,911,790.31	
Inventories	199,641,972.32	199,641,972.32	
Other current assets	13,126,022.08	13,126,022.08	
Total current assets	1,002,762,001.45	1,002,762,001.45	
Non-current assets:			
Long-term equity investments	10,422,056.96	10,422,056.96	
Investment in other equity instrument	741,953.00	741,953.00	
Investment real estate	4,267,013.35	4,267,013.35	
Fixed assets	100,158,063.58	100,158,063.58	
Construction in progress	22,454,792.27	22,454,792.27	
Intangible assets	21,261,119.40	21,261,119.40	
Long-term deferred expenses	5,541,410.81	5,541,410.81	
Total non-current assets	164,846,409.37	164,846,409.37	
Total assets	1,167,608,410.82	1,167,608,410.82	
Current liabilities:			
Short-term borrowings	65,000,000.00	65,000,000.00	
Notes payable	76,135,010.10	76,135,010.10	
Account payable	604,765,586.00	604,765,586.00	
Contractual liability	28,518,252.40	28,518,252.40	
Wage payable	17,362,878.28	17,362,878.28	
Taxes payable	8,707,248.67	8,707,248.67	
Other accounts payable	53,759,120.63	53,759,120.63	

Dividend payable	4,044,213.38	4,044,213.38	
Non-current liabilities due within one year	9,181,720.08	9,181,720.08	
Other current liabilities	3,707,372.81	3,707,372.81	
Total current liabilities	867,137,188.97	867,137,188.97	
Non-current liabilities:			
Lease liability		4,036,160.05	4,036,160.05
Long-term account payable	4,036,160.05		-4,036,160.05
Total non-current liabilities	4,036,160.05	4,036,160.05	
Total liabilities	871,173,349.02	871,173,349.02	
Owners' equity:			
Share capital	215,000,000.00	215,000,000.00	
Capital public reserve	183,568,842.44	183,568,842.44	
Other comprehensive income	-6,853,931.65	-6,853,931.65	
Surplus reserve	589,559.77	589,559.77	
Retained profit	-202,680,309.64	-202,680,309.64	
Total owner's equity attributable to parent Company	189,624,160.92	189,624,160.92	
Minority interests	106,810,900.88	106,810,900.88	
Total owner's equity	296,435,061.80	296,435,061.80	
Total liabilities and owner's equity	1,167,608,410.82	1,167,608,410.82	

Statement of adjustment

Balance Sheet of Parent Company

In RMB

Item	December 31, 2020	January 1, 2021	Adjustment
Current assets:			
Monetary fund	57,345,349.24	57,345,349.24	
Note receivable	1,190,734.45	1,190,734.45	
Accounts receivable	218,887,318.18	218,887,318.18	
Advance payment	10,138,293.79	10,138,293.79	
Other account	50,275,151.96	50,275,151.96	

receivable			
Inventories	80,454,321.56	80,454,321.56	
Other current assets	7,516,579.06	7,516,579.06	
Total current assets	425,807,748.24	425,807,748.24	
Non-current assets:			
Long-term equity investments	123,831,124.60	123,831,124.60	
Investment in other equity instrument	741,953.00	741,953.00	
Fixed assets	45,117,637.57	45,117,637.57	
Intangible assets	5,006,099.13	5,006,099.13	
Long-term deferred expenses	4,461,404.63	4,461,404.63	
Total non-current assets	179,158,218.93	179,158,218.93	
Total assets	604,965,967.17	604,965,967.17	
Current liabilities:			
Short-term borrowings	30,000,000.00	30,000,000.00	
Notes payable	76,135,010.10	76,135,010.10	
Account payable	214,453,536.53	214,453,536.53	
Contractual liability	14,109,283.43	14,109,283.43	
Wage payable	7,931,673.97	7,931,673.97	
Taxes payable	115,233.85	115,233.85	
Other accounts payable	164,586,605.64	164,586,605.64	
Non-current liabilities due within one year	9,181,720.08	9,181,720.08	
Other current liabilities	1,834,206.85	1,834,206.85	
Total current liabilities	518,347,270.45	518,347,270.45	
Non-current liabilities:			
Lease liability		4,036,160.05	4,036,160.05
Long-term account payable	4,036,160.05		-4,036,160.05
Total non-current liabilities	4,036,160.05	4,036,160.05	
Total liabilities	522,383,430.50	522,383,430.50	
Owners' equity:			
Share capital	215,000,000.00	215,000,000.00	

Capital public reserve	158,864,042.34	158,864,042.34	
Other comprehensive income	-1,854,910.00	-1,854,910.00	
Surplus reserve	589,559.76	589,559.76	
Retained profit	-290,016,155.43	-290,016,155.43	
Total owner's equity	82,582,536.67	82,582,536.67	
Total liabilities and owner's equity	604,965,967.17	604,965,967.17	

Statement of adjustment

2. Retrospective adjustment of the comparative data for initial new leasing rules from 2021

Applicable Not applicable

III. Audit report

Whether the 1st quarterly report has been audited or not

Yes No

1Q report of the Company is unaudited.

Board of Directors of

Nanjing Putian Telecommunications Co., Ltd.

29 April 2021