

Stock code: 605066

Securities abbreviation: Tianzheng Electric

Zhejiang Tianzheng Electric Co., Ltd. 2022 First Quarterly Report

The board of directors and all directors of the company guarantee that the content of this announcement does not contain any false records, misleading statements or major omissions, and bear individual and joint responsibility for the authenticity, accuracy and completeness of its contents.

Important content reminder

(1) The board of directors, the board of supervisors and the directors, supervisors and senior management personnel of the company guarantee the truthfulness, accuracy and completeness of the contents of the quarterly report.

There are no false records, misleading statements or major omissions, and bear individual and joint legal responsibilities.

(2) Gao Tianle, the person in charge of the company, Wang Yong, the person in charge of accounting work, and Huang Yuan, the person in charge of the accounting organization (accounting supervisor)

The financial statement information in the quarterly report is true, accurate and complete.

(3) Whether the first quarter financial statements are audited

Yes/No

1. Main financial data

(4) Main accounting data and financial indicators

Unit: Currency: RMB

project	this reporting period	This reporting period is compared with the same period of last year Increase/decrease change rate (%)
Operating income	510,438,165.02	-25.20
Net profit attributable to shareholders of listed companies	12,404,085.15	-67.68
Non-recurring deductions attributable to shareholders of listed companies net profit	10,827,582.31	-68.34
Net cash flow from operating activities	-55,627,450.81	not applicable
Basic earnings per share (yuan/share)	0.03	-63.56
Diluted earnings per share (RMB/ share)	0.03	-63.56
Weighted average return on equity (%)	0.72, a decrease of 1.47 percentage points	

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According to the requirements of tax, accounting and other laws and regulations, the current profit and loss		
The impact of one-time adjustment on current profit and loss		
Custody fee income from entrusted operations		
Other non-operating income and expenses other than the above items Other	117,740.45	
profit and loss items that meet the definition of non-recurring profit and loss		
Less: Income tax impact amount of	307,973.47	
minority shareholders' equity impact amount (after tax)		
total	1,576,502.84	

Convert the non-recurring gains and losses listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Gains and Losses

Description of items defined as recurring profit and loss items

ÿApplicable ÿNot applicable

(6) Changes and reasons for major accounting data and financial indicators

ÿApplicable ÿNot applicable

Project name	Change ratio (%)	main reason
Accounts receivable Financing	-31.15	Mainly due to the receipt of bank acceptance bills
Advance payments Other	217.22	Mainly due to the increase in prepayments
receivables Contract assets	149.34	Mainly due to the payment of business deposits
Other non-current assets Notes	63.12	Mainly due to the increase in the quality assurance fund
payable Contract liabilities	45.85	Mainly due to the increase in equipment funds and engineering funds for raised investment projects
	56.76	Mainly due to the increase in bill payments
	61.95	Mainly due to the increase in business advance receipts
	-30.22	Mainly due to the decrease in the number of personnel
	81.70	Mainly due to the impact of changes in sales and changes in total profit
	-51.69	Mainly due to the decrease in turnover tax caused by the decline in sales
	37.54	Mainly due to the company's increased investment in R&D personnel and projects
		Not applicable Mainly due to the decrease in interest on raised investment funds
	-69.88	Mainly due to the decrease in government subsidies related to the daily activities of the enterprise
number) Credit	-289.51	Mainly due to the income from the purchase of debt products in the previous period, and the current period is determined by the equity method. Acknowledged due to investment losses
impairment losses (losses are Fill in with "-") Non-		Not applicable Mainly due to the decrease in accounts receivable compared with the beginning of the year
operating income Non-	956.98	Mainly due to the government subsidy received in the current period
operating expenses	-62.48	Mainly due to the decrease in disposal of assets
Income tax expenses	-194.93	Mainly due to the provision of deferred income tax on the loss of taxable income
Cash flow from operating activities net cash flow		Not applicable Year-on-year mainly due to the decrease in tax payment and business deposit payment
from investing activities cash flow		not applicable The year-on-year increase was mainly due to the increase in the recovery of fixed deposits and wealth management and investment in fixed assets in the current period. Plus, due to investment paid in the previous period
from net financing activities net amount	-113.11	Year-on-year mainly due to the repayment of bank loans in the current period

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2. Shareholder Information

(1) The total number of ordinary shareholders, the number of preferred shareholders whose voting rights have been restored, and the shareholding situation of the top ten shareholders

Unit: share

Shareholder name	Number of shares held by nature of shareholders	shareholding Proportion (%)	hold limited sale Conditional number of shares quantity	pledge, token or Freeze situation	
				shares state	quantity
Shareholdings of the top 10 shareholders					
Tianzheng Group Co., Ltd.	non-state-owned legal person 99,146,960	24.54 99,146,960	None		0
Gao Tianle	Domestic natural person 66,730,620	16.52 66,730,620	None		0
Shanghai Fuding Investment Management Partnership Industry (Limited Partnership) - Shanghai Fu Dingyi Equity Investment Fund Partnership Enterprise (Limited Partnership)	Other 5,989,390	1.48	0 none		0
Yang	Domestic natural person 5,571,700	1.38	0 None 0		0
Hongkou,	Domestic natural person 5,000,000	1.24	None		0
Guangzhi,	Domestic natural person 4,950,440	1.23	4,950,440 None 0	None 0	0
Gao Xiao, Yu	Domestic natural person 3,582,820	0.89 Domestic natural	None 0		0
Fei, Huang	person 3,229,380 0.80 Domestic natural person 2,713,660		None 0		0
Yuechi, Hu	0.67 Domestic natural person 2,580,800	0.64	None		0
Zhongsheng, Shi Leijie					0
Shareholdings of the top 10 shareholders not subject to selling restrictions					
Shareholder name	The number of unrestricted tradable shares held	Type and quantity of shares			
		Number of types of shares			
Shanghai Fuding Investment Management Partnership Industry (Limited Partnership) - Shanghai Fu Dingyi Equity Investment Fund Partnership Enterprise (Limited Partnership)	5,989,390 RMB ordinary shares	5,989,390			
Yang	5,571,700 RMB ordinary shares	5,571,700			
Hongkou,	5,000,000 RMB ordinary shares	5,000,000			
Guangzhi,	3,582,820 RMB ordinary shares	3,582,820			
Yu Fei, Huang	3,229,380 RMB ordinary shares	3,229,380			
Yuechi, Hu	2,713,660 RMB ordinary shares	2,713,660			
Zhongsheng,	2,580,800 RMB ordinary shares	2,580,800			
Shi Leijie,	2,485,580 RMB ordinary shares	2,485,580			
Chen Zhiyu,	2,310,050 RMB ordinary shares	2,310,050			
Chen Caiwei, Tu Wanqian	2,158,180 RMB ordinary shares	2,158,180			

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<p>Affiliate relationship or unanimous relationship of the above-mentioned shareholders</p> <p>Description of Action</p>	<p>Among the above shareholders, Gao Tianle and Gao Xiao have a father-son relationship and act in concert; It has a 63.05% stake in Tianzheng Group Co., Ltd. (hereinafter referred to as "Tianzheng Group"), and Chairman of Tianzheng Group and the actual controller of Tianzheng Group; Huang Yuechi holds Tianzheng Collection 0.98% equity of the group, and served as the director and general manager assistant of Tianzheng Group; Hu Zhongsheng holds Tianzheng Group 1.63% equity of Zheng Group and serve as director of Tianzheng Group; Shi Leijie holds Tianzheng Group 5.73% equity, and serves as the chairman of the supervisory committee of Tianzheng Group. Shi Leijie is Gao Tianle's cousin; Chen Caiwei holds a 2.19% stake in Tianzheng Group and serves as the director and deputy general manager of Tianzheng Group; Kou Guangzhi is the elder brother of Yang Hong's spouse. Apart from this, the company is not aware of other top ten shareholders and former Whether there is an associated relationship or a concerted action relationship among the ten shareholders not subject to selling restrictions.</p>
<p>Top 10 Shareholders and Top 10 None</p> <p>Restricted shareholders participate in margin financing and securities lending and</p> <p>Description of the refinancing business (such as Have)</p>	

3. Other reminders

Other important information about the operation of the company during the reporting period that needs to be reminded of investors

ÿApplicable ÿNot applicable

4. Quarterly Financial Statements

(1) Types of audit opinions

ÿApplicable ÿNot applicable

(2) Financial Statements

Consolidated Balance Sheet

March 31, 2022

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	March 31, 2022	December 31, 2021
Current assets:		
monetary	721,029,946.30	816,814,810.48
capital trading financial assets		
Derivative financial assets		
Notes Receivable	72,878,703.96	83,261,254.73
Accounts	782,050,624.13	810,300,661.16
Receivable Accounts	224,405,075.27	325,935,376.38
Receivable Financing	16,520,635.34	5,207,997.89
Advances Other	54,241,461.50	21,753,950.94
Receivables Including: Interest Receivable		

Dividends receivable		
Repurchase of resale financial assets		
	347,462,659.05	355,550,869.24
Inventory	1,747,067.12	1,071,021.72
Contract Assets Held for Sale Assets		
Non-current assets due within one year	14,968,000.00	15,000,000.00
and other current assets	94,154,463.95	107,382,425.02
Total current assets	2,329,458,636.62	2,542,278,367.56
Non-current assets:		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investment	46,009,548.73	46,940,554.37
Other equity instrument investment		
Other non-current financial assets		
investment real estate		
Fixed assets	349,436,385.83	359,441,951.77
Construction in	133,576,199.13	111,063,056.92
progress productive biological assets		
oil and gas asset		
Right-of-use assets	13,776,401.92	12,472,928.63
Intangible assets	113,346,573.24	114,278,184.15
development expenditure		
goodwill		
Long-term deferred	7,396,950.33	8,379,495.12
expenses Deferred tax	53,012,716.27	48,599,879.43
assets Other non-current assets	31,069,030.86	21,302,163.62
Total non-current assets	747,623,806.31	722,478,214.01
Total assets Current	3,077,082,442.93	3,264,756,581.57
liabilities:		
Held-for-trading	90,141,958.35	90,103,583.34
financial liabilities for short-term borrowings		
Derivative financial liabilities		
Bills Payable	113,882,087.77	72,648,219.09
Accounts Payable	869,867,121.75	1,067,969,989.03
Advance Receipts		
Contract	13,813,626.90	8,529,468.56
liabilities Payable	50,656,665.03	72,599,411.18
employee benefits	10,549,652.98	5,806,173.76
Taxes payable Other	61,877,306.88	60,619,175.74
payables Including: Interest payable		
dividends payable		

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held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities	90,154,954.50	126,335,313.98
Total current liabilities	1,300,943,374.16	1,504,611,334.68
Non-current liabilities:		
Long term loan		
Bonds payable		
Of which: preferred stock		
perpetual bond		
Lease liability	11,321,612.77	10,626,659.19
long-term payables		
Long-term employee compensation payable		
Estimated	18,195,570.52	16,775,297.23
liabilities	8,299,949.20	6,754,857.81
Deferred income Deferred tax liabilities		
Other non-current liabilities		
Total non-current	37,817,132.49	34,156,814.23
liabilities Total	1,338,760,506.65	1,538,768,148.91
liabilities Owner's equity (or shareholders' equity):		
Paid-in capital (or share capital)	403,862,000.00	404,038,000.00
Other equity instruments		
Of which: preferred stock		
perpetual bond		
Less capital	673,308,325.70	674,394,245.70
reserve: other	19,661,940.00	20,871,060.00
comprehensive income from treasury shares		
Special reserves		
The undistributed	115,595,976.95	115,595,976.95
profit of the surplus	562,288,642.16	549,831,757.01
reserve is attributable to the owner's equity of the parent company or		
Shareholders' Equity) Total	1,735,393,004.81	1,722,988,919.66
Minority Shareholders' Equity	2,928,931.47	2,999,513.00
Owner's Equity (or Shareholders' Equity)	1,738,321,936.28	1,725,988,432.66
count		
Liabilities and Owner's Equity (or Shares East Equity) Head	3,077,082,442.93	3,264,756,581.57

of the total company: Gao Tianle, in charge of accounting work: Wang Yong, head of accounting department: Huang Yuan

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Consolidated Income

Statement January-March 2022

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	First quarter of 2022	Q1 2021 682,428,612.52
1. Total operating income of	510,438,165.02	
which: operating income 2.	510,438,165.02	682,428,612.52
Total operating costs of which:	499,388,744.25	628,716,687.67
operating costs, taxes and	387,139,191.67	522,684,413.04
additional sales	1,484,048.10	3,071,652.65
expenses,	52,953,749.91	56,325,998.11
management	28,516,445.99	27,915,044.39
expenses, research	31,738,956.37	23,076,866.72
and development	-2,443,647.79	-4,357,287.24
expenses, financial expenses,	802,000.05	600,630.12
of which: interest	3,224,554.63	5,006,827.40
expenses, interest income plus: other income	1,213,702.99	4,029,127.19
Investment income (losses are filled with "-" List)	-931,750.17	491,666.66
Of which: for associates and joint ventures investment income		
Financial assets measured at amortized cost Terminate recognition of income		
Exchange gains (losses are filled with "-" List)		
Net exposure hedging gains (losses are marked with a "-" fill in)		
Gains from changes in fair value (losses in Fill in with "-")		
Credit impairment losses (losses are filled with "-" List)	736,250.71	-10,289,881.15
Asset impairment losses (losses are filled with "-" List)	-5,361,227.89	-4,735,522.10
Asset disposal gains (losses are marked with "-" fill in)		
3. Operating profit (losses are listed with "-") Plus: non- operating income minus: non-operating expenses	6,706,396.41	43,207,315.45
	1,336,019.81	126,399.72
	115,333.64	307,396.33
4. Total profit (total loss is filled with "-")	7,927,082.58	43,026,318.84
Columns) Less: Income	-4,406,421.04	4,641,973.12
tax expenses	12,333,503.62	38,384,345.72

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1. Net profit from continuing operations (net loss equal to Fill in with "-") 2. Net	12,333,503.62	38,384,345.72
profit from discontinued operations (net loss equal to Fill in with "-")		
(2) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net Losses are listed with "-") 2. Minority	12,404,085.15	38,384,345.72
shareholders' profit and loss (net losses are listed with "-") 6. After-	-70,581.53	
tax net amount of other comprehensive income		
(1) Other comprehensive properties attributable to owners of the parent company Net income after tax		
1. Other comprehensive income that cannot be reclassified to profit or loss beneficial		
(1) Remeasurement of changes in defined benefit plans		
(2) Other comprehensive items that cannot be transferred to profit or loss under the equity method income		
(3) Changes in fair value of other equity instrument investments		
(4) Changes in the fair value of the company's own credit risk		
2. Other comprehensive income to be reclassified to profit or loss		
(1) Other comprehensive income that can be transferred to profit or loss under the equity method beneficial		
(2) Changes in fair value of other debt investments		
(3) Financial assets are reclassified and included in other comprehensive income amount of benefit		
(4) Provision for credit impairment of other debt investments		
(5) Cash flow hedging reserve		
(6) Differences in translation of foreign currency financial statements		
(7) Others		
(2) Other comprehensive income attributable to minority shareholders net after tax		
7. Total comprehensive income (1)	12,333,503.62	38,384,345.72
Comprehensive income attributable to owners of the parent company (2) Total	12,404,085.15	38,384,345.72
comprehensive income attributable to minority shareholders Forehead	-70,581.53	
8. Earnings per share:		
(1) Basic earnings per share (RMB/share) (2)	0.03	0.09
Diluted earnings per share (RMB/share) In the	0.03	0.09

event of a merger of enterprises under the same control in the current period, the net profit realized by the merged party before the merger is: RMB 0. The merged party realizes

The net profit is: 0 yuan. Person

in charge of the company: Gao Tianle

Person in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

Consolidated Statement of

Cash Flows January-March 2022

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	Q1 2022	Q1 2021
1. Cash flow from operating activities:		
Cash received from sales of goods and provision	454,955,139.70	475,475,835.41
of labor services Refund of taxes and fees	167,745.52	861,971.67
received from other cash related to operating	12,107,571.33	12,551,955.84
activities Cash inflow from operating activities	467,230,456.55	488,889,762.92
subtotal for purchase of goods, receipt of labor	309,960,115.84	301,042,226.54
services paid in cash to employees and cash	133,040,432.15	128,769,817.09
paid for employees Subtotal of cash outflows	1,832,234.49	41,006,188.65
from operating activities and cash outflows from	78,025,124.88	98,758,934.06
other operating activities	522,857,907.36	569,577,166.34
	-55,627,450.81	-80,687,403.42
<small>Forehead</small>		
2. Cash flow from investing activities:		
Cash received for recovering	8,000.00	
investment Cash received for investment income		
Disposal of fixed assets, intangible assets and others	76,843.82	33,145.95
Net cash received from long-term assets		
recovered from disposal by subsidiaries and other business units		
net cash		
Cash received from other investing activities Subtotal of	40,382,364.41	
cash inflow from investing activities Purchase and	40,467,208.23	33,145.95
construction of fixed assets, intangible assets and others	37,825,084.88	21,589,294.87
Net Increase in Cash Mortgage		
Payments from Cash		30,000,000.00
Investments Paid in Long-Term Assets		
Obtain payment from subsidiaries and other business units		
net cash		
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing	37,825,084.88	51,589,294.87
activities Net cash flows from investing activities	2,642,123.35	-51,556,148.92
<small>Forehead</small>		
3. Cash flow from financing activities:		
Cash received from absorbing investments		22,338,135.00
Including: Subsidiaries absorbing investments from minority shareholders		
cash received		
Cash received from borrowings	60,000,000.00	30,000,000.00
Cash received from other financing activities		
Subtotal of cash inflows from financing activities	60,000,000.00	52,338,135.00

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Cash distribution dividends,	60,000,000.00	
profits or interest payments paid to repay debt of cash of	759,474.33	476,809.73
which: Subsidiaries paid to minority shareholders dividends, profits		
Payment of other cash related to financing activities	5,488,894.99	4,191,753.80
Cash outflow from financing activities Subtotal	66,248,369.32	4,668,563.53
Net cash flow from financing activities	-6,248,369.32	47,669,571.47
4. Exchange Rate Changes on Cash and Cash Equivalents V. Net	-14,020.13	
increase in cash and cash equivalents	-59,247,716.91	-84,573,980.87
Add: Beginning balance of cash and cash equivalents	510,629,853.99	701,632,252.43
VI. Balance of cash and cash equivalents at the end of the period	451,382,137.08	617,058,271.56

Gao Tianle in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

(2) The first implementation of the new accounting standards from 2022 onwards adjustment of the financial statements at the beginning of the year of the first implementation

Applicable Not applicable

Special announcement

Zhejiang Tianzheng Electric Co., Ltd. Board of Directors

April 29, 2022