

Company code: 605066

Company abbreviation: Tianzheng Electric

Zhejiang Tianzheng Electric Co., Ltd.

2021 First Quarter Report

content

one,	important hint.....	3
two,	Basic information of the company.....	3
three,	Important	6
Four,	appendix.....	8

1. Important Notes

1.1 The board of directors, the board of supervisors and the directors, supervisors and senior management personnel of the company guarantee that the content of the quarterly report is true, accurate and complete.

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

1.2 All directors of the company attended the board of directors to review the quarterly report.

1.3 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 department (accounting supervisor)

The truthfulness, accuracy and completeness of the financial statements in the quarterly report.

1.4 The first quarterly report of the Company is unaudited.

2. Basic information of the company

2.1 Main Financial Data

Unit: Currency: RMB

	end of the reporting period	end of last year	The end of the reporting period increased from the end of the previous year reduce(%)
Total assets	3,279,846,174.67	3,164,794,070.63	3.64
Attributable to shareholders of listed companies net worth	1,774,544,063.28	1,734,347,142.56	2.32
	From the beginning of the year to the end of the reporting period	From the beginning of the previous year to the end of the reporting period of the previous year, increase or decrease over the same period of the previous year (%)	
cash generated from operating activities net traffic	-80,687,403.42	-90,795,991.77	not applicable
	From the beginning of the year to the end of the reporting period	increase or decrease from the beginning of the previous year to the end of the reporting period of the previous year compared with the same period of the previous year (%)	
Operating income	682,428,612.52	342,742,617.17	99.11
Attributable to shareholders of listed companies Net profit	38,384,345.72	28,587,141.06	34.27
attributable to shareholders of listed companies net of non-recurring gains and losses net profit	34,203,882.93	33,711,014.95	1.46
weighted average return on net assets Rate(%)	2.19	3.40, a decrease of 1.21 percentage points	
Basic earnings per share (yuan/ shares)	0.09	0.09	0
Diluted earnings per share (RMB/ share)	0.09	0.09	0

2021 First Quarter Report

Non-recurring profit and loss items and

amounts ýApplicable ýNot applicable

Unit: Yuan Currency: RMB Description

project	of the current amount	
Unauthorized approval of non-	-301,528.90	
current assets disposal gains and losses, or no official approval documents, or occasional tax refunds, reductions or exemptions of government subsidies included in the current		
profit and loss, but closely related to the company's normal business operations, in line with national policies and regulations, fixed or quantitative in accordance with certain standards Excluding government subsidies that are continuously enjoyed, capital occupation	3,682,927.12	
fees charged to non-financial enterprises that are included in the current profit and loss.	1,030,160.69	
Income Non-monetary assets exchange gains and losses Gains and losses from entrusting others to invest or manage assets Due to force majeure factors, such as natural disasters, various asset impairment provisions accrued Debt restructuring gains and losses Profits		
and losses in excess of fair value arising from transactions with significantly unfair prices		
Net profit and loss for the current period from the beginning of the period to the date of		
merger of subsidiaries arising from business combination under common control Profits and losses arising from contingent events unrelated to the company's normal business		
operations In addition to relevant effective hedging business, holding financial assets for		
trading, derivative financial assets, financial liabilities for trading, gains and losses from		
changes in fair value arising from derivative financial liabilities, and disposal of financial		
assets for trading, derivative financial assets and financial liabilities for trading , Derivative financial liabilities and investment income obtained from other debt investments, receivables		
that are individually tested for impairment, and contract asset impairment reserves that are		
reversed to external entrusted loans Gains and losses that are subsequently measured using the fair value model The profit or loss generated is subject to a one-time adjustment to the current profit and loss in accordance with the requirements of tax, accounting and other laws and regulations. The impact on the current profit and loss. Profit and loss defined profit and loss items minority shareholders' equity impact (after tax)	491,666.66	
	48,832.29	
Income tax impact	-771,595.07	
total	4,180,462.79	

2021 First Quarter Report

2.2 Total number of shareholders, top ten shareholders, top ten tradable shareholders (or shareholders not subject to selling restrictions) as at the end of the reporting period

Unit: share

Total number of shareholders (households)				24,645							
Shareholdings of the top ten shareholders											
Shareholder name (full name)	End-of-period shareholding quantity	Proportion (%)	hold limited sale Conditional number of shares quantity	pledge or freeze		nature of shareholders					
				share	quantity						
Condition											
share											
share											
share											
state											
Tianzheng Group Co., Ltd. 99,146,960	24.53%	99,146,960	No	Gao Tianle 66,730,620	16.51%	66,730,620	No	Shanghai	Domestic non-state-owned legal person		
Fuding Investment Management Co., Ltd.									Domestic natural person		
Partnership (Limited Partnership) - Shanghai Fuding Phase I Equity Investment Fund Partnership (Limited Partnership)	10,560,000	2.61%	10,560,000	None					other		
Yang Hong	7,920,000	1.96%	7,920,000						Domestic natural person		
Kou Guangzhi	7,920,000	1.96%	7,920,000	No	1.63%	6,600,000	No	1.48%	Domestic natural person		
Chen Ping	6,600,000	5,983,340	No						Domestic natural person		
Chen Caiwei	5,983,340								Domestic natural person		
Jiaying Feijun Yongping Equity Investment capital management partnership (with Limited partnership) - Ningbo Yongjia Investment Management Partnership (Limited Partnership)	5,280,000	1.31%	5,280,000	None					other		
Gao Xiao	No	4,879,160	Shareholdings	23,483,040	No	4,950,440	Shareholdings	26,600,600	Domestic natural person		
Hu Zhongsheng									Domestic natural person		
Shareholder name							Hold Unlimited Conditional Streams		Type and quantity of shares		
							number of shares		number of species		
Yue Weihua							832,013 RMB ordinary shares		600,000 RMB		832,013
Chu Fengqi							ordinary shares		452,500 RMB ordinary		600,000
Yue Ziyu							shares 80,000 RMB ordinary shares		274,800		452,500
Liu Yuji Min							RMB ordinary shares		243,100 RMB		315,000
Chongli Cui							ordinary shares		235,500 RMB ordinary		274,800
Xiulin Qian							shares 220,152 RMB ordinary shares				243,100
Leyang Chu							201,000 RMB ordinary shares		195,318 RMB		235,500
Deming							ordinary shares				220,152
Zhao Gang											201,000
Chen Mingqi											195,318

2021 First Quarter Report

<p>The statement that the above-mentioned shareholders are affiliated or acting in concert</p> <p>bright</p>	<p>Among the above shareholders, Gao Tianle and Gao Xiao are father and son and act in concert people;</p> <p>Gao Tianle holds a 63.05% stake in Tianzheng Group Co., Ltd.</p> <p>Chairman of Zheng Group, the actual controller of Tianzheng Group;</p> <p>Kou Guangzhi is the brother of Yang Hong's spouse;</p> <p>Chen Caiwei holds a 2.19% stake in Tianzheng Group and serves as the director of Tianzheng Group</p> <p>Deputy General Manager; Hu Zhongsheng holds a 1.63% stake in Tianzheng Group, and Served as director of Tianzheng Group.</p> <p>Apart from this, the Company does not know whether there is any connection between the other shareholders mentioned above. relationship or concerted action.</p>
<p>Preferred shareholders with restored voting rights and the number of shares held</p> <p>Quantity Description</p>	<p>not applicable</p>

2.3 Total number of preferred shareholders as at the end of the reporting period, top ten preferred shareholders, and top ten preferred shareholders with unrestricted shares held by shareholders

Status table

☑Applicable ☐Not applicable

3. Important matters

3.1 Major changes in the company's major accounting statement items and financial indicators and the reasons

☑Applicable ☐Not applicable

project name	Closing amount of the current period (or current period)	End of previous year (or same period last year)	Change ratio (%)	Fact Sheet
Prepayments 11,802,101.10	101.10	6,282,284.68	87.86	Mainly due to the increase in prepayments for moulds in the current period
Other receivables 58,627,403.57	27,403.57	8,099,155.12	623.87	Mainly due to the increase in business deposits
Debt investment 30,491,666.66	491,666.66		Not applicable	Mainly due to the purchase of debt products in the current period
Right-of-use assets 11,402,119.49	402,119.49		not applicable	To lease assets after the implementation of the new lease standard Confirmed as right-of-use assets
Other non-current assets 31,443,494.41	443,494.41	19,621,199.10	60.25	Mainly due to the increase in the prepayment of equipment funds for fundraising and investment projects caused by
Short-term borrowings 70,000,000.00	000,000.00	40,051,160.70	74.78	Mainly due to the increase in current bank working capital loans added
bills payable		12,131,938.43	Not applicable	Mainly due to the maturity of the current notes
Contract liabilities 6,351,963.45	351,963.45	3,927,195.35	61.74	Mainly due to the increase in advance receipts in the current period
Other payables 48,237,267.83	237,267.83	20,216,343.05	138.61	Mainly due to employee equity incentives in the current period

2021 First Quarter Report

Lease liabilities	7,630,227.10		not applicable	In order to recognize the lease liability after the implementation of the new lease standard due to debt
Treasury stock	22,338,135.00		Not applicable	Mainly due to employee equity incentives in the current period
Operating income	682,428,612.52	342,742,617.17	99.11	Mainly in the construction, communication, power and other industries Increased customer revenue
Operating costs	522,684,413.04	235,514,827.91	121.93	Mainly due to the increase in the company's revenue, while the main Raw material prices have risen
Taxes and surcharges	3,071,652.65	1,756,948.81	74.83	Mainly due to stamp duty and value-added tax surcharge in the current period due to tax increase
Selling expenses	56,325,998.11	28,080,687.72	100.59	Mainly due to the increase in sales staff in the current period
Administrative expenses	27,915,044.39	19,315,157.79	44.52	Mainly due to the increase in labor costs in the current period
Research and development expenses	23,076,866.72	14,719,692.11	56.78	Mainly due to the increase in R&D investment in the current period
Finance costs -	4,357,287.24	732,267.34	Not applicable	Mainly for the purchase of wealth management products with the funds raised in the current period due to interest
Other income	4,029,127.19	812,072.02	396.15	Mainly due to the increase in government subsidies received in the current period caused by
investment income	491,666.66		Inapplicable	Mainly due to the income from the purchase of debt products in the current period
Credit impairment loss	-10,289,881.15	-2,730,199.95	Not applicable	Mainly due to the increase in accounts receivable in the current period, resulting in bad Due to increase in provision for accounts
Asset impairment loss	-4,735,522.10	-1,209,941.62	Not applicable	Mainly for the current period to accrue inventory depreciation reserves To
Asset disposal income		368.79	not applicable	Mainly due to the decrease in assets disposed of in the current period compared with the previous period caused by
Non-operating income	126,399.72	85,474.80	47.88	Mainly due to the increase in fine income in the current period
Non-operating expenses	307,396.33	7,297,856.34	-95.79	Mainly due to the loss of work stoppage in the previous period
arising from investment activities	-51,556,148.92	-3,902,478.38	Not applicable	Mainly due to the purchase of debt products in the current period
Net cash flow from				
financing activities	47,669,571.47	-51,730,304.45	Not applicable	Mainly due to the increase in current bank working capital loans added
net cash flow				

3.2 Analysis and description of the progress of important matters, their impact and solutions

☐Applicable ☐Not applicable

3.3 Commitments overdue but not fulfilled during the reporting period

☐Applicable ☐Not applicable

3.4 It is predicted that the accumulated net profit from the beginning of the year to the end of the next reporting period may be a loss or there may be a significant change compared with the same period of the previous year.

indication and reason

Applicable Not applicable

Company Name	Zhejiang Tianzheng Electric Co., Ltd.
Legal representative	Gao Tianle
Date	23 April 2021

4. Appendix

4.1 Financial Statements

Consolidated Balance Sheet

March 31, 2021

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	March 31, 2021	December 31, 2020
Current assets:		
Monetary funds	980,106,541.32	1,060,284,566.99
settlement reserve		
Loan funds		
Tradable financial assets		
Derivative financial assets		
Notes Receivable	87,798,548.89	88,700,864.73
Accounts	950,417,517.59	774,488,234.68
Receivable Financing	228,718,214.96	324,714,776.99
Advance Payments	11,802,101.10	6,282,284.68
Premium Receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	58,627,403.57	8,099,155.12
Including: Interest receivable		
Dividends receivable		
Repurchase of resale financial assets		
Inventory	311,014,941.43	306,697,349.77
contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	67,719,863.15	64,814,829.82

Total current assets	2,696,205,132.01	2,634,082,062.78
Non-current assets:		
Disbursement of loans and advances		
Debt investment	30,491,666.66	
Other debt investment		
Long-term receivables		
long-term equity investment		
Investment in other equity instruments		
Other non-current financial assets		
investment real estate		
Fixed assets	319,993,112.86	325,306,034.96
Construction in	27,906,365.18	22,877,604.22
progress productive biological assets		
oil and gas asset		
Right-of-use assets	11,402,119.49	
Intangible assets	115,702,877.01	116,341,192.82
development expenditure		
goodwill		
Long-term deferred	7,726,971.92	8,361,163.00
expenses Deferred tax	38,974,435.13	38,204,813.75
assets Other non-current assets	31,443,494.41	19,621,199.10
Total non-current assets	583,641,042.66	530,712,007.85
Total assets Current	3,279,846,174.67	3,164,794,070.63
liabilities:		
short-term	70,000,000.00	40,051,160.70
borrowing from the central bank		
borrowed funds		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills Payable		12,131,938.43
Accounts Payable	1,112,287,855.31	1,059,927,293.83
Advance Receipts		
Contract liabilities	6,351,963.45	3,927,195.35
Sales of financial assets under repurchase		
Deposits and deposits		
Agent for buying and selling securities		
Agent underwriting securities		
Payable Employee	56,256,242.54	77,611,747.48
Salary Payable Taxes	24,454,709.70	25,625,498.31
Other Payables	48,237,267.83	20,216,343.05
Including: Interest Payable		
dividends payable		

2021 First Quarter Report

Fees and commissions		
Reinsurance Accounts Payable		
held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities	156,662,033.03	171,689,259.58
Total current liabilities	1,474,250,071.86	1,411,180,436.73
Non-current liabilities:		
Insurance contract reserve		
Long term loan		
Bonds payable		
Of which: preferred stock		
perpetual bond		
Lease liability	7,630,227.10	
long-term payables		
Long-term employee compensation payable		
Estimated	20,725,102.34	16,457,042.27
liabilities	2,696,710.09	2,809,449.07
Deferred income Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	31,052,039.53	19,266,491.34
Total Liabilities	1,505,302,111.39	1,430,446,928.07
Owner's Equity (or Shareholders' Equity):		
Paid-in capital (or share capital)	404,115,500.00	401,000,000.00
Other equity instruments		
Of which: preferred stock		
perpetual bond		
Less capital	676,661,745.70	655,626,535.70
reserve: other	22,338,135.00	
comprehensive income from treasury shares		
Special reserves		
Surplus	104,713,483.92	104,713,483.92
reserve general risk reserve		
Undistributed profits	611,391,468.66	573,007,122.94
attributable to the parent company's owner's equity (or Shareholders' Equity) Total	1,774,544,063.28	1,734,347,142.56
Minority Shareholders' Equity		
Owner's Equity (or Shareholders' Equity) total	1,774,544,063.28	1,734,347,142.56
Liabilities and Owner's Equity (or Shares East equity) total	3,279,846,174.67	3,164,794,070.63

Person in charge of the company: Gao Tianle

Person in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

Parent company balance

sheet March 31, 2021

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	March 31, 2021	December 31, 2020
Current assets:		
monetary	885,008,678.66	957,050,679.62
capital trading financial assets		
Derivative financial assets		
Notes Receivable	87,798,548.89	88,700,864.73
Accounts	932,214,345.34	767,876,920.67
Receivable Accounts	228,718,214.96	324,714,776.99
Receivable Financing	10,163,753.90	6,281,376.40
Advances Other	118,445,759.82	58,029,357.19
Receivables Including: Interest Receivable		
Dividends receivable		
Inventory	252,314,426.21	240,229,650.66
contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	60,661,910.23	58,599,583.99
Total non-current	2,575,325,638.01	2,501,483,210.25
assets:		
Debt investment	30,491,666.66	
Other debt investment		
Long-term receivables		
Long-term equity investment	180,000,000.00	180,000,000.00
Other equity instrument investment		
Other non-current financial assets		
investment real estate		
Fixed assets	163,462,677.96	164,998,489.81
Construction in	26,578,877.26	21,765,991.90
progress productive biological assets		
oil and gas asset		
Right-of-use assets	11,402,119.49	
Intangible assets	81,419,791.63	81,829,777.23
development expenditure		
goodwill		
Long-term deferred	1,712,701.17	1,630,379.90
expenses Deferred tax	38,311,041.34	37,698,197.95
assets Other non-current assets	27,221,004.41	18,342,829.10

Total non-current assets	560,599,879.92	506,265,665.89
Total assets Current	3,135,925,517.93	3,007,748,876.14
liabilities:		
Held-for-trading	70,000,000.00	40,051,160.70
financial liabilities for short-term borrowings		
Derivative financial liabilities		
Bills Payable		12,131,938.43
Accounts Payable	1,007,501,041.86	948,618,469.94
Advance Receipts		
Contract	6,351,963.45	3,927,195.35
liabilities Payable	49,728,710.61	68,837,193.82
employee benefits	20,160,584.29	21,896,615.28
Taxes payable Other	44,600,807.78	18,111,027.99
payables Including: Interest payable		
dividends payable		
held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities	156,662,033.03	171,689,259.58
Total current liabilities	1,355,005,141.02	1,285,262,861.09
Non-current liabilities:		
Long term loan		
Bonds payable		
Of which: preferred stock		
perpetual bond		
Lease liability	7,630,227.10	
long-term payables		
Long-term employee compensation payable		
Estimated	20,725,102.34	16,457,042.27
liabilities	2,696,710.09	2,809,449.07
Deferred income Deferred tax liabilities		
Other non-current liabilities		
Total non-current	31,052,039.53	19,266,491.34
liabilities Total	1,386,057,180.55	1,304,529,352.43
liabilities Owner's equity (or shareholders' equity):		
Paid-in capital (or share capital)	404,115,500.00	401,000,000.00
Other equity instruments		
Of which: preferred stock		
perpetual bond		
Less capital	690,393,335.42	669,358,125.42
reserve: other	22,338,135.00	
comprehensive income from treasury shares		
Special reserves		

2021 First Quarter Report

Owner's Equity	115,567,930.60	115,567,930.60
(or Shareholders'	562,129,706.36	517,293,467.69
Equity) of Undistributed Profits of Surplus Reserve total	1,749,868,337.38	1,703,219,523.71
Liabilities and Owner's Equity (or Shares East equity) total	3,135,925,517.93	3,007,748,876.14

Person in charge of the company: Gao Tianle in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

Consolidated Income

Statement January-March 2021

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	Q1 2021 682,428,612.52	Q1 2020 342,742,617.17
1. Total operating income of		
which: operating income and	682,428,612.52	342,742,617.17
interest income		
Premium earned		
Fee and commission income		
2. Total operating costs	628,716,687.67	300,119,581.68
Including: operating costs	522,684,413.04	235,514,827.91
and interest expenses		
Fees and Commissions Expenses		
Surrender		
Net payout		
Net withdrawal of insurance liability reserves		
dividend payment policy		
Reinsurance costs		
Taxes and Additional	3,071,652.65	1,756,948.81
Sales Expenses	56,325,998.11	28,080,687.72
Administrative	27,915,044.39	19,315,157.79
Expenses R&D	23,076,866.72	14,719,692.11
Expenses Financial	-4,357,287.24	732,267.34
Expenses Including: Interest	600,630.12	1,046,928.18
Expenses Interest	5,006,827.40	140,575.40
Income Plus: Other Income	4,029,127.19	812,072.02
Investment income (losses are filled with "-" List)	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)	-10,289,881.15	-2,730,199.95
Asset impairment losses (losses are filled with "-" List)	-4,735,522.10	-1,209,941.62
Assets disposal gains (losses are filled with "-" 3.		368.79
Operating profit (losses are listed with "-")	43,207,315.45	39,495,334.73
Add: Non-operating Income	126,399.72	85,474.80
Less: Non-operating Expenses	307,396.33	7,297,856.34
4. Total profit (total loss is filled with "-")	43,026,318.84	32,282,953.19
Columns) Less: Income	4,641,973.12	3,695,812.13
tax expenses	38,384,345.72	28,587,141.06
1. Net profit from continuing operations (net loss equal to Fill in with "-") 2. Net	38,384,345.72	28,587,141.06
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.	38,384,345.72	28,587,141.06
Minority shareholders' profit and loss (net losses are listed with "-" fill in)		
6. Other comprehensive income, net after tax		
(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		

2021 First Quarter Report

(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)	38,384,345.72	28,587,141.06
Comprehensive income attributable to owners of the parent company (2) Total	38,384,345.72	28,587,141.06
comprehensive income attributable to minority shareholders <small>Forward</small>		
8. Earnings per share:		
(1) Basic earnings per share (yuan/share)	0.09	0.09
(2) Diluted earnings per share (yuan/share)	0.09	0.09

In the case of business combination under the same control in the current period, the net profit realized by the merged party before the merger is: 0 yuan, and the merged party in the previous period realized

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

Parent company income

statement January-March 2021

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	Q1 2021	Q1 2020
I. Operating income	649,988,054.40	320,222,474.37
Less: Operating costs,	494,584,834.20	223,151,553.11
taxes and additional	2,243,517.94	1,050,282.29
sales expenses	55,634,249.29	27,775,574.22
Administrative	21,264,715.08	14,407,576.01
expenses R&D	20,546,391.78	12,406,882.30
expenses Financial	-3,899,844.88	717,851.40
expenses Including: Interest	564,592.14	1,030,157.35
expenses Interest	4,505,179.93	149,621.57
income Plus: Other income	3,613,578.13	84,009.38
Investment income (losses are filled with "-" List)	491,666.66	
Of which: for associates and joint ventures investment income		
Financial assets measured at amortized cost Terminate recognition of income		

2021 First Quarter Report

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)	-9,748,544.11	-2,658,535.31
Asset impairment losses (losses are filled with "-" List)	-4,144,327.13	-1,038,832.52
Asset disposal gains (losses are marked with "-" 2.		368.79
Operating profit (losses are listed with "-")	49,826,564.54	37,099,765.38
Add: non-operating	54,515.09	85,474.71
income minus: non-	246,089.85	5,529,937.68
operating expenses		
List)	49,634,989.78	31,655,302.41
Less: Income tax	4,798,751.11	3,380,779.43
expenses IV. Net profit (net losses are listed with "-")	44,836,238.67	28,274,522.98
Fill in with "-")	44,836,238.67	28,274,522.98
(2) Net profit from discontinued operations (net loss equal to Fill in with "-")		
V. Other comprehensive income, net after tax		
(1) Other comprehensive items that cannot be reclassified into profit or loss income		
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 investments in other equity instruments		
4. Changes in the fair value of the company's own credit risk		
(2) Other comprehensive income reclassified into profit or loss		
beneficial		
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 hedge reserve		
6. Differences in translation of foreign currency financial statements		
7. Others		
6. Total comprehensive	44,836,238.67	28,274,522.98
income 7. Earnings per share:		
(1) Basic earnings per share (yuan/share)	0.11	0.09

2021 First Quarter Report

(2) Diluted earnings per share (RMB/share)	0.11	0.09
--	------	------

Person in charge of the company: Gao Tianle in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

Consolidated Statement of

Cash Flows January-March 2021

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	Q1 2021	Q1 2020
1. Cash flow from operating activities:		
Net increase in cash customer deposits and interbank deposits	475,475,835.41	263,655,657.27
received from sales of goods and provision of labor services		
Forehead		
Net increase in borrowing from the central bank		
Net increase in borrowings from other financial institutions		
Forehead		
Cash received from the original insurance contract premium		
Net cash received from reinsurance operations		
Net increase in policyholders' savings and investment funds		
Cash for interest, fees and commissions		
Net increase in borrowed funds		
Net increase in repurchase business funds		
Net cash received from agents buying and selling securities		
Refund of taxes and fees	861,971.67	176,561.03
received Net increase in cash inflows from other	12,551,955.84	7,644,956.27
operating activities cash inflows related to operating	488,889,762.92	271,477,174.57
activities Purchase of goods, receipt of labor services,	301,042,226.54	195,387,308.32
and cash customer loans and advances		
Net increase in deposits with central banks and interbanks		
Forehead		
Cash to pay the original insurance contract compensation		
Net increase in borrowed funds		
Cash for interest, fees and commissions		
Cash to pay policy dividends		
Various taxes paid to employees and cash paid	128,769,817.09	112,159,627.42
for employees Payment of other cash related to	41,006,188.65	28,415,343.65
operating activities Cash outflow from operating	98,758,934.06	26,310,886.95
activities Subtotal Net cash flow from operating	569,577,166.34	362,273,166.34
activities	-80,687,403.42	-90,795,991.77
Forehead		
2. Cash flow from investing activities:		
Cash back on investment		
Cash received from investment income		

2021 First Quarter Report

Disposal of fixed assets, intangible assets and others	33,145.95	11,230.00
Net cash received from long-term assets		
recovered from disposal by subsidiaries and other business units		
net cash		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	33,145.95	11,230.00
Purchase and construction of fixed assets, intangible assets and others	21,589,294.87	3,778,238.38
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		
Payment of other cash related to investing activities		135,470.00
Subtotal of cash outflows from investing activities	51,589,294.87	3,913,708.38
Net cash flows from investing activities	-51,556,148.92	-3,902,478.38
Forehead		
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	30,000,000.00	
Cash received from other financing activities		
Subtotal of cash inflows from financing	52,338,135.00	
activities Cash paid to repay debts to		50,000,000.00
distribute dividends, profits or to repay interest payments	476,809.73	1,130,304.45
of cash of		
which: Subsidiaries paid to minority shareholders		
dividends, profits		
Payment of other cash related to financing activities	4,191,753.80	600,000.00
Cash outflow from financing activities Subtotal	4,668,563.53	51,730,304.45
Net cash flow from financing activities	47,669,571.47	-51,730,304.45
Forehead		
4. Exchange Rate Changes on Cash and Cash Equivalents		
Impact		
V. Net increase in cash and cash equivalents	-84,573,980.87	-146,428,774.60
Add: Beginning balance of cash and cash equivalents	701,632,252.43	376,504,094.52
VI. Balance of cash and cash equivalents at the end of the period	617,058,271.56	230,075,319.92

Person in charge of the company: Gao Tianle

Person in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

Parent company cash flow statement

from January to March 2021

Prepared by: Zhejiang Tianzheng Electric Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

project	Q1 2021	Q1 2020
1. Cash flow from operating activities:		
Cash received from sales of goods and provision of labor services Refund of taxes and fees received	450,273,308.93	241,687,782.14
from other cash related to operating activities Cash	729,007.06	139,334.71
inflow from operating activities subtotal for	11,719,980.81	6,155,828.12
purchase of goods, receipt of labor services paid in cash to employees and cash paid for employees	462,722,296.80	247,982,944.97
Subtotal of cash outflows from operating activities	283,806,662.56	163,646,821.45
to pay other cash related to operating activities Net cash flow from operating activities	112,579,038.55	99,609,031.26
	36,565,686.64	24,821,442.37
	96,844,727.59	54,912,664.10
	529,796,115.34	342,989,959.18
	-67,073,818.54	-95,007,014.21
2. Cash flow from investing activities:		
Cash back on investment		
Cash received from investment income		
Disposal of fixed assets, intangible assets and other long-term assets Net cash recovered from assets during the period	33,145.95	11,230.00
Disposal received from subsidiaries and other business units net cash		
Cash received from other investing activities Subtotal	10,636,670.82	
of cash inflows from investing activities	10,669,816.77	11,230.00
Purchase and construction of fixed assets, intangible assets and other long-term assets Cash paid for assets paid	17,459,775.87	2,220,459.83
for investment in cash	30,000,000.00	
for acquisition of subsidiaries and other business units net cash		
Payment of other cash related to investing activities Subtotal of cash outflows from investing activities Net cash flows from	20,000,000.00	135,470.00
	67,459,775.87	2,355,929.83
	-56,789,959.10	-2,344,699.83
investing activities 3. Cash flows from financing activities:		
Absorbing cash received from investments to obtain cash received	22,338,135.00	
from borrowings Cash received from other financing activities	30,000,000.00	
Subtotal of cash inflows from financing activities Cash paid to repay debts Distributions of dividends, profits or interest paid	52,338,135.00	40,000,000.00
Cash	476,809.73	1,089,533.62
payments for other cash related financing activities	4,191,753.80	600,000.00
Cash outflow from financing activities Subtotal	4,668,563.53	41,689,533.62
Net cash flow from financing activities	47,669,571.47	-41,689,533.62

2021 First Quarter Report

4. Exchange Rate Changes on Cash and Cash Equivalents Impact		
V. Net increase in cash and cash equivalents	-76,194,206.17	-139,041,247.66
Add: Beginning balance of cash and cash equivalents	628,682,740.06	361,017,338.06
VI. Balance of cash and cash equivalents at the end of the period	552,488,533.89	221,976,090.40

Person in charge of the company: Gao Tianle

Person in charge of accounting work: Wang Yong

Person in charge of accounting department: Huang Yuan

4.2 Adjustment of the financial statements at the beginning of the year of the first implementation of the new lease standards since 2021

☐Applicable ☐Not applicable

Consolidated Balance Sheet

Unit: Currency: RMB

project	December 31, 2020	January 1, 2021	adjustment
Current assets:			
Monetary funds	1,060,284,566.99	1,060,284,566.99	
settlement reserve			
Loan funds			
Tradable financial assets			
Derivative financial assets			
Notes Receivable	88,700,864.73	88,700,864.73	
Accounts	774,488,234.68	774,488,234.68	
Receivable Financing	324,714,776.99	324,714,776.99	
Advance Payments	6,282,284.68	6,282,284.68	
Premium Receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	8,099,155.12	8,099,155.12	
Including: Interest receivable			
Dividends receivable			
Repurchase of resale financial assets			
Inventory	306,697,349.77	306,697,349.77	
contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	64,814,829.82	63,420,799.98	-1,394,029.84
Total non-current	2,634,082,062.78	2,632,688,032.94	-1,394,029.84
assets:			
Disbursement of loans and advances			
Debt investment			
Other debt investments			

2021 First Quarter Report

Long-term receivables			
long-term equity investment			
Investment in other equity instruments			
Other non-current financial assets			
investment real estate			
Fixed assets	325,306,034.96	325,306,034.96	
Construction in	22,877,604.22	22,877,604.22	
progress productive biological assets			
oil and gas asset			
Right-of-use assets		12,912,847.85	12,912,847.85
Intangible assets	116,341,192.82	116,341,192.82	
development expenditure			
goodwill			
Long-term deferred	8,361,163.00	8,361,163.00	
expenses Deferred tax	38,204,813.75	38,204,813.75	
assets Other non-current assets	19,621,199.10	19,621,199.10	
Total non-current assets	530,712,007.85	543,624,855.70	12,912,847.85
Total assets Current	3,164,794,070.63	3,176,312,888.64	11,518,818.01
liabilities:			
short-term	40,051,160.70	40,051,160.70	
borrowing from the central bank			
borrowed funds			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Bills Payable	12,131,938.43	12,131,938.43	
Accounts Payable	1,059,927,293.83	1,059,927,293.83	
Advance Receipts			
Contract liabilities	3,927,195.35	3,927,195.35	
Sales of financial assets under repurchase			
Deposits and deposits			
Agent for buying and selling securities			
Agent underwriting securities			
Payable Employee	77,611,747.48	77,611,747.48	
Salary Payable Taxes	25,625,498.31	25,625,498.31	
Other Payables	20,216,343.05	20,216,343.05	
Including: Interest Payable			
dividends payable			
Fees and commissions			
Reinsurance Accounts Payable			
held-for-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities	171,689,259.58	171,689,259.58	

2021 First Quarter Report

Total current liabilities	1,411,180,436.73	1,411,180,436.73	
Non-current liabilities:			
Insurance contract reserve			
Long term loan			
Bonds payable			
Of which: preferred stock			
perpetual bond			
Lease liability		11,518,818.01	11,518,818.01
long-term payables			
Long-term employee compensation payable			
Estimated	16,457,042.27	16,457,042.27	
liabilities	2,809,449.07	2,809,449.07	
Deferred income Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities	19,266,491.34	30,785,309.35	11,518,818.01
Total Liabilities	1,430,446,928.07	1,441,965,746.08	11,518,818.01
Owner's Equity (or Shareholders' Equity):			
Paid-in capital (or share capital)	401,000,000.00	401,000,000.00	
Other equity instruments			
Of which: preferred stock			
perpetual bond			
Less capital	655,626,535.70	655,626,535.70	
reserve: treasury shares			
Other comprehensive income			
Special reserves			
Surplus	104,713,483.92	104,713,483.92	
reserve general risk reserve			
Undistributed profits	573,007,122.94	573,007,122.94	
are attributable to owners' equity of the parent company			
(or shareholders' equity) total	1,734,347,142.56	1,734,347,142.56	
minority interests			
Owner's Equity (or Shareholders' Equity profit) total	1,734,347,142.56	1,734,347,142.56	
liabilities and owners' equity (or shareholders' equity) total	3,164,794,070.63	3,176,312,888.64	11,518,818.01

Description of the adjustment of each item:

☐Applicable ☐Not applicable

The Ministry of Finance issued "Accounting Standards for Business Enterprises No. 21 - Leases" on December 7, 2018.

The above new lease standards will be implemented from January 1, 2021, and adjustments will be made to relevant items in the financial statements.

Parent Company Balance Sheet

Unit: Currency: RMB

2021 First Quarter Report

project	December 31, 2020	January 1, 2021 Adjustments	ts
Current Assets:			
Monetary funds	957,050,679.62	957,050,679.62	
for trading financial assets			
Derivative financial assets			
Notes Receivable	88,700,864.73	88,700,864.73	
Accounts	767,876,920.67	767,876,920.67	
Receivable Accounts	324,714,776.99	324,714,776.99	
Receivable Financing	6,281,376.40	6,281,376.40	
Advances Other	58,029,357.19	58,029,357.19	
Receivables Including: Interest Receivable			
Dividends receivable			
Inventory	240,229,650.66	240,229,650.66	
contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	58,599,583.99	57,205,554.15	-1,394,029.84
Total non-current	2,501,483,210.25	2,500,089,180.41	-1,394,029.84
assets:			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity investment	180,000,000.00	180,000,000.00	
Other equity instrument investment			
Other non-current financial assets			
investment real estate			
Fixed assets	164,998,489.81	164,998,489.81	
Construction in	21,765,991.90	21,765,991.90	
progress productive biological assets			
oil and gas asset			
Right-of-use assets		12,912,847.85	12,912,847.85
Intangible assets	81,829,777.23	81,829,777.23	
development expenditure			
goodwill			
Long-term deferred	1,630,379.90	1,630,379.90	
expenses Deferred tax	37,698,197.95	37,698,197.95	
assets Other non-current assets	18,342,829.10	18,342,829.10	
Total non-current assets	506,265,665.89	519,178,513.74	12,912,847.85
Total assets Current	3,007,748,876.14	3,019,267,694.15	11,518,818.01
liabilities:			
Held-for-trading	40,051,160.70	40,051,160.70	
financial liabilities for short-term borrowings			

2021 First Quarter Report

Derivative financial liabilities			
Bills Payable	12,131,938.43	12,131,938.43	
Accounts Payable	948,618,469.94	948,618,469.94	
Advance Receipts			
Contract	3,927,195.35	3,927,195.35	
liabilities Payable	68,837,193.82	68,837,193.82	
employee benefits	21,896,615.28	21,896,615.28	
Taxes payable Other	18,111,027.99	18,111,027.99	
payables Including: Interest payable			
dividends payable			
held-for-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities	171,689,259.58	171,689,259.58	
Total current liabilities	1,285,262,861.09	1,285,262,861.09	
Non-current liabilities:			
Long term loan			
Bonds payable			
Of which: preferred stock			
perpetual bond			
Lease liability		11,518,818.01	11,518,818.01
long-term payables			
Long-term employee compensation payable			
Estimated	16,457,042.27	16,457,042.27	
liabilities	2,809,449.07	2,809,449.07	
Deferred income Deferred tax liabilities			
Other non-current liabilities			
Total non-current	19,266,491.34	30,785,309.35	11,518,818.01
liabilities Total	1,304,529,352.43	1,316,048,170.44	11,518,818.01
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)	401,000,000.00	401,000,000.00	
Other equity instruments			
Of which: preferred stock			
perpetual bond			
Less capital	669,358,125.42	669,358,125.42	
reserve: treasury shares			
Other comprehensive income			
Special reserves			
Surplus reserve	115,567,930.60	115,567,930.60	
undistributed profit	517,293,467.69	517,293,467.69	
owner's equity (or shareholders' equity profit) total	1,703,219,523.71	1,703,219,523.71	
liabilities and owners' equity (or shareholders' equity) total	3,007,748,876.14	3,019,267,694.15	11,518,818.01

Explanation of the adjustment of each item:

ÿApplicable ÿNot applicable

The Ministry of Finance issued "Accounting Standards for Business Enterprises No. 21 - Leases" on December 7, 2018.

The above new lease standards will be implemented from January 1, 2021, and adjustments will be made to relevant items in the financial statements.

4.3 Explanation on retrospective adjustment of previous comparative data when the new lease standards are implemented for the first time from 2021

ÿApplicable ÿNot applicable

4.4 Audit report

ÿApplicable ÿNot applicable