

Lomon Billions Group Co., Ltd

2021 Q1 Report



April 2021

This document is a free translation of the quarterly report and consolidated financial statements of Lomon Billions Group Co., Limited for the first quarter ended March 31, 2020 produced for the convenience of English speaking readers.

In the event of any ambiguity or conflict between statements or other items contained herein and the original version which was prepared in Mandarin, the relevant statement or item of the original Mandarin version shall prevail. While all possible care has been taken to ensure that this translation is an accurate representation of the original document, this English language version has not been audited by the company's statutory auditors and in all matters of interpretation of information, views or opinions expressed therein, only the original language version of the document in Mandarin is legally binding.

As such, this translation may not be relied upon to sustain any legal claim, nor be used as the basis of any legal opinion, and Lomon Billions Group Co Limited expressly disclaims all liability for any inaccuracy herein.

Section I、 Important Notes

The board of directors, board of supervisors, directors, supervisors and senior officers warrant that the contents of the Annual Report are true, accurate and complete and do not contain false records, misleading statements or major omissions, for which they will assume the several and joint legal liabilities.

XU Gang, Chairman, SHEN Qingfei, Chief Financial Officer, and Guo Liangpo, head of the accounting organization (accounting supervisor) declare that the financial statements in the Annual Report are true, accurate and complete.

Section II、 Basic Information

I、 Major Accounting Data and Financial Indicators

Does the Company need to retroactively adjust or restate previous year's accounting data

Yes No

Monetary unit: RMB

	Q1 2021	Q1 2020	Increase/Decrease in the current year when compared with last year
Operating revenue (RMB)	4,645,089,821.82	3,689,756,846.06	25.89%
Net profit attributable to shareholders of the Listed Company (RMB)	1,063,717,776.91	901,257,471.39	18.03%
Net profit attributable to shareholders of the Listed Company net of non-recurring gains and losses (RMB)	1,037,360,434.28	862,642,824.87	20.25%
Net cash flows from operating activities (RMB)	881,539,588.07	647,750,631.91	36.09%
Basic earnings per share (RMB/share)	0.52	0.44	18.18%
Diluted earnings per share (RMB/share)	0.52	0.44	18.18%
Weighted average return on equity	7.22%	6.28%	0.94%
	March 31 2021	December 31 2020	Increase/decrease in the current quarter when compared with last quarter
Total assets (RMB)	37,152,741,809.20	34,771,428,954.42	6.85%
Net profit attributable to shareholders of the Listed Company (RMB)	17,539,676,113.84	14,194,594,418.64	23.57%

Items and Amount of Non-recurring Profit and Loss

Applicable Not applicable

Monetary unit: RMB

Item	The beginning of the year to the end of the reporting period	Comments
Gains and losses on disposal of non-current assets (including the written off portion of the provision for impairment of assets)	7,682,136.26	
Government grants included in current profit and loss (closely related to business activities, except for government grants enjoyed by quota or fixed amount in accordance with national uniform standard)	23,896,895.05	

Fund occupation fees charged to non-financial enterprises and included in current profit and loss	143,037.83	
Profit and loss of debt restructuring	120,589.14	
Other profits and losses within the meaning of non-recurring profit and loss	-292,736.73	
Less: Amount income tax affected	4,926,946.03	
Amount of minority equity affected (After-tax)	265,632.89	
TOTAL	26,357,342.63	--

II、 Total number of common shareholders and top ten shareholders at the end of reporting period

1、 total number of common shares and the number of preferred shareholders whose voting rights have been restored and the shareholding status of the top 10 shareholders

Unit: Share

Total number of common shareholders at the end of the reporting period	64660	The number of preferred shareholders whose voting rights have been restored	0			
Top ten shareholders						
Name of shareholder	Nature of shareholder	Share-holding ratio	Number of shares held at the end of the reporting period	Number of restricted shares held	Pledge or freezing	
					Status of shares	Number of shares
XU Gang	Domestic natural person	27.87%	624,231,769	520,071,168	Pledge	332,292,000
TAN Ruiqing	Domestic natural person	10.41%	233,166,105	174,874,579	Pledge	95,000,000
LI Ling	Domestic natural person	6.33%	141,764,780			
Hong Kong Securities Clearing Co. Ltd	Overseas legal person	4.29%	96,166,704			
FAN Xianguo	Domestic natural person	3.01%	67,418,965			
Henan Yintai Investment Co., Ltd.	Non-state-owned legal person at home	2.37%	53,000,072		Pledge	24,000,000
China construction bank Co., Ltd - Mixed securities investment funds	Other	2.02%	45,302,897			
Industrial and Commercial Bank of China Co. Ltd- Mixed securities	Other	1.51%	33,883,755			

investment funds						
Chen Kaiqing	Domestic natural person	1.41%	31,568,300			
Lomon Billions Group-Phase II ESOP	Other	1.27%	28,468,717			
Shareholding of top 10 unrestricted shareholders						
Name of shareholder	Number of unrestricted shares held at the end of the reporting period	Class of share				
		Class of share	Shares			
LI Ling	141,764,780	Common shares in RMB	141,764,780			
Xu Gang	104,160,601	Common shares in RMB	104,160,601			
Hong Kong Securities Clearing Co. Ltd	96,166,704	Common shares in RMB	96,166,704			
Fan Xianguo	67,418,965	Common shares in RMB	67,418,965			
Tan Ruiqing	58,291,526	Common shares in RMB	58,291,526			
Henan Yintai Investment Co., Ltd.	53,000,072	Common shares in RMB	53,000,072			
China construction bank co., LTD-Mixed securities investment funds	45,302,897	Common shares in RMB	45,302,897			
Industrial and Commercial Bank of China Co. Ltd- Mixed securities investment funds	33,883,755	Common shares in RMB	33,883,755			
Chen Kaiqing	31,568,300	Common shares in RMB	31,568,300			
Lomon Billions Group-Phase II ESOP	28,468,717	Common shares in RMB	28,468,717			
Description of the relationship or concerted action between the top 10 shareholders of unrestricted tradable shares and between the top 10 shareholders of unrestricted tradable shares and the top 10 shareholders						
Description of participation by the top 10 common shareholders in margin financing and securities lending business (if any)						

Whether the top 10 common shareholders and the top 10 unrestricted common shareholders of the Company agreed to carry out repurchase transactions during the reporting period

Yes No

2、The total number of preferred shareholders and the shareholding status of the top 10 preferred shareholders

Yes No

Section III、 Important matters

I、 Changes of main financial data and indicators in reporting period and the reasons

√ Yes No

Monetary Unit: Yuan

Items	End of reporting period	Beginning of reporting period	% change	Reasons
Cash and cash equivalents	6,944,602,683.99	5,127,451,501.02	35.44%	Mainly caused by increasing of bank balance at the end of reporting period.
Notes receivables	16,138,751.96			Mainly caused by increasing of trade acceptance at the end of reporting period.
Receivables funding	820,406,643.32	440,624,177.60	86.19%	Mainly caused by increasing of bank acceptance at the end of reporting period.
Other receivables	71,108,338.59	31,585,769.03	125.13%	Mainly caused by increasing of margin payment.
Contract assets	4,780,033.24	1,807,922.72	164.39%	Mainly caused because the income is larger than settlement of the subsidiary.
Investment property	180,916,707.45	55,409,155.55	226.51%	Mainly caused by combined new energy materials.
Right-of-use assets	37,395,808.11			Mainly caused by implementing new leasing criteria.
Payroll payable	122,018,061.54	225,792,320.70	-45.96%	Caused by payment of year-end bonus.
Other payables	606,621,376.27	411,265,027.98	47.50%	Mainly caused by repurchasing new restricted stock of OZC.
Lease liability	37,395,808.11			Mainly caused by implementing new leasing criteria.
Items	End of reporting period	Beginning of reporting period	% change	Reasons
Fees and comission income	85,991.63	855,174.03	-89.94%	Caused by decreasing fees and commission expense of subsidiary.
Operating costs	2,965,678,206.51	2,115,534,953.70	40.19%	Caused by increasing pigment sales and incorporating data of Yunnan Guotai 、 Scandium and OZC.
Interest expense		388,888.88	-100.00%	Mainly due to the decrease in interest expenses of corporate financial subsidiaries in the current period.
Fees and comission expense	6,285.60	3,321.48	89.24%	Caused by increasing fees and commission expense of subsidiary.
Tax and surcharges	51,615,572.99	32,127,908.59	60.66%	Caused by revenue increasing.

Sales expenses	28,494,760.92	171,224,155.56	-83.36%	Caused by classifying transportation fees of goods into operating cost.
Administration expense	192,504,068.64	136,906,263.81	40.61%	Caused by incorporated data of Yunnan Guotai, Scandium and OZC.
Financial expense -interest income	35,944,121.87	20,414,698.99	76.07%	Mainly caused by increasing interest income of fixed time deposit.
Other income	24,502,337.05	58,582,231.57	-58.17%	Mainly caused by decreasing governmental subsidy and gains from debt restructuring of subsidiary.
Investment income-income from investing on joint venture and affiliated venture	1,209,780.45	-6,950,895.46	117.40%	Caused by increasing income from long term equity investment under current equity method.
Credit impairment loss	20,459,329.65	-14,816,453.73	238.09%	Mainly caused by decreasing accounts received and bad debt provision.
Assets impairment loss	-104,645.73			Mainly caused by accrual of falling prices of inventories by subsidiaries.
Asset disposal proceeds	-355,722.94	-5,088,870.62	93.01%	Mainly caused by decreasing assets disposal loss.
Items	End of reporting period	Beginning of reporting period	% change	Reasons
Subtotal of cash inflow of business activity	4,663,048,146.70	2,990,873,146.06	55.91%	Mainly caused by increasing cash in sales and rendering of service.
Subtotal of cash outflow of business activity	3,781,508,558.63	2,343,122,514.15	61.39%	Mainly caused by increase in cash for purchasing goods and accepting payment for services.
Subtotal of cash inflow of investment	58,984,622.44	150,464,856.99	-60.80%	Mainly caused by the decrease of accumulated cash due to time deposits in the current period
Subtotal of cash outflow of investment	361,216,708.87	1,071,498,211.20	-66.29%	Caused by decreasing of payment to purchasing fixed assets, intangible assets and other long term assets.
Subtotal of cash inflow of financing activity	4,955,166,947.75	2,338,836,963.77	111.86%	Caused by increasing of cash received from investment.
Subtotal of cash outflow of financing activity	3,887,354,439.34	1,885,333,077.58	106.19%	Caused by increasing of payment of bank loan.
Impact of exchange rate fluctuations on cash and cash equivalents	1,050,220.64	5,945,639.32	-82.34%	Caused by the impact of exchange rate fluctuation on cash.

II、 Progress in important issues and analysis of its influence and solution

applicable not applicable

1、 summary of the progress of non-IPO offering of A-shares in 2020

The non-IPO offering of A-shares in 2020 has been approved by the company. The offering price is 11.02yuan/share and the total amount is 205,517,241 shares. The total amount of funds raised is RMB 226,480.00.

On December 17, 2020, the dispatch of company's rights and interests of the third quarter of 2020 was completed, the non-public offering price changed from 11.02 yuan to 10.91 yuan, the amount of non-IPO shares changed from 205,517,241 shares to 207,589,367 shares.

On 21st Dec 2020, the Company received the "Approval for a Private Issue of Lomon Billions Group Co., Ltd." from the China Securities Regulatory Commission.

The arrangement of how to use the raised funds was approved by the company at the 13th and 14th meeting of 7th Board on 18th and 22nd April.

On 3rd March 2021, the private placement of 207,589,367 additional shares listed on the Shenzhen Stock Exchange.

2、 the progress of restricted stock incentive plan in 2021

On 9th March 2021, the restricted stock incentive plan in 2021 and the Measures for the Evaluation and Administration of Restricted Stock Incentive Plan in 2021 were approved at the 15th meeting of 7th Board. The number of restricted stock to be granted under the Incentive Plan to the Incentive Objects is 152,000.00 shares, representing 6.79% of the total capital stock of 2,239,610,256 shares at the time of the initial announcement of the Incentive Plan. Of which 142,000,000 shares were granted for the first time, representing 6.34% of the Company's total capital stock of 2,239,610,256 shares at the time of the announcement of the draft incentive plan; 10,000.00 shares are reserved, accounting for 0.45% of the total share capital of the Company at the time of announcement of the draft incentive plan, and 6.58% of the total granted interest.

III、 Commitments that are fulfilled during the reporting period and not fulfilled at the end of the reporting period by actual controllers, shareholders, affiliates or acquirers of the Company, the Company and other relevant parties

Applicable Not applicable

IV、 Financial assets investment

1、 Security investment

applicable not applicable

2、 Derivatives investment

applicable not applicable

V、 Progress of investment projects raised funds

applicable not applicable

The total amount of raised funds of non-public offering shares is 2,264,799,993.97yuan, net amount is 2,241,453,211.54yuan after deducting 23,346,782.43yuan service charge. The raised funds will be used for construction of 200kt chloride TiO₂ production line and supplement working capital.

Until the reporting day, the funds raised for the "Supplementary Liquidity Fund" have been invested.

The company provided 1.5 billion yuan to Lufeng Xinli Titanium Industry Co., Ltd to constructing the 200kt chloride TiO₂ production line. Until the end of reporting period, the construction has been not completed, the accumulative investment of raised funds is 167.53 million yuan.

Section IV Financial report

一、Financial Report

1、Consolidated Balance Sheet

Unit:Yuan

Items	31 st March 2021	31 st December 2020
Current asset:		
Cash and cash equivalent	6,944,602,683.99	5,127,451,501.02
Deposit reservation for balance		
Lendings		
Tradable financial assets		
Derivative financial asset		
Notes receivable	16,138,751.96	
Accounts receivable	1,442,527,856.13	2,014,982,342.77
Receivable Financing	820,406,643.32	440,624,177.60
Advances to suppliers	676,278,507.55	670,555,303.56
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	71,108,338.59	31,585,769.03
Thereinto: Interests receivable		
Dividends receivable		
Buying back the sale of financial assets		
Inventory	3,073,919,774.84	3,126,606,102.78
Contract assets	4,780,033.24	1,807,922.72
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	503,451,329.38	581,551,944.24
TOTAL CURRENT ASSETS	13,553,213,919.00	11,995,165,063.72
Non-current assets:		
Loans and advances	468,769,181.02	505,215,384.56
Creditors' investment		

Other creditors' investment		
Long-term receivables	215,567,707.84	191,479,797.87
Long-term equity investment	215,429,778.86	210,793,463.17
Other equity instruments investment	796,007.60	797,169.20
Other noncurrent financial assets		
Investment properties	180,916,707.45	55,409,155.55
Fixed assets	8,891,981,188.60	8,816,858,567.75
Construction in progress	3,775,819,279.32	3,300,883,380.83
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	37,395,808.11	
Intangible assets	2,547,447,837.15	2,543,783,621.57
Development costs		
Goodwill	6,096,660,849.87	6,072,271,066.23
Long-term unamortized expenses	107,725,545.44	115,375,596.56
Deferred tax assets	260,758,327.90	250,368,171.36
Other non-current assets	800,259,671.04	713,028,516.05
TOTAL NON-CURRENT ASSETS	23,599,527,890.20	22,776,263,890.70
TOTAL ASSETS	37,152,741,809.20	34,771,428,954.42
Current liabilities:		
Short-term borrowings	3,090,514,206.09	4,096,580,112.52
Borrowings from central bank		
Loans from other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	4,981,592,264.57	5,022,859,793.35
Accounts payable	2,633,259,187.40	2,706,881,905.09
Advances from customers		
Contract liability	319,574,662.66	257,955,802.67
Repurchase of financial assets sold		
Deposits from customers and interbank		
Payment for trading securities by agency		
Payment for underwriting securities by agency		
Payroll payable	122,018,061.54	225,792,320.70

Tax payable	331,311,521.66	272,952,093.72
Other payables	606,621,376.27	411,265,027.98
Thereinto: Interests payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities maturing within one year	1,490,071,078.50	1,486,379,981.00
Other current liability	210,913,713.48	201,277,201.20
TOTAL CURRENT LIABILITIES	13,785,876,072.17	14,681,944,238.23
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings	3,396,133,635.84	3,469,282,193.84
Bonds payable		
Including: Preferred stock		
Perpetual bond		
Lease liability	37,395,808.11	
long-term payable	124,746,919.38	129,262,697.16
Long-term employee payroll payable		
Estimated liabilities	53,015,491.75	51,991,070.88
Deferred income	262,329,210.46	268,720,903.23
Deferred tax liabilities	348,978,915.81	332,639,362.58
Other non-current liabilities		
TOTAL NON-CURRENT LIABILITIES	4,222,599,981.35	4,251,896,227.69
TOTAL LIABILITIES	18,008,476,053.52	18,933,840,465.92
Owner's equity:		
Capital stock	2,239,610,256.00	2,032,020,889.00
Other equity instruments		
Including: Preferred stock		
Perpetual bond		
Capital surplus	11,642,382,701.86	9,578,653,824.61
Less: treasury stock		
Other comprehensive income	-12,645,528.49	-14,667,371.03
Special reserve	55,563,816.61	47,539,985.11

Surplus reserve	879,993,898.50	879,993,898.50
General risk provisions	9,769,331.69	9,421,958.57
Undistributed profits	2,725,001,637.67	1,661,631,233.88
TOTAL EQUITY ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT COMPANY	17,539,676,113.84	14,194,594,418.64
Minority interests	1,604,589,641.84	1,642,994,069.86
TOTAL OWNER'S EQUITY	19,144,265,755.68	15,837,588,488.50
TOTAL LIABILITIES AND OWNERS' EQUITY	37,152,741,809.20	34,771,428,954.42

Legal representative: XU Gang Principal in charge of accounting: SHEN Qingfei Head of accounting department: Guo Liangpo

2、 Balance Sheet of Parent Company

Unit: Yuan

Items	31 st March 2021	31 st December 2020
Current assets:		
Cash at bank and on hand	4,200,368,324.46	2,846,966,448.08
Financial assets for trade		
Derivative financial assets		
Notes receivable		
Accounts receivable	190,907,663.26	357,478,732.07
Accounts receivable financing	166,546,670.36	77,640,890.16
Advances to suppliers	493,209,470.45	489,632,035.52
Other receivables	2,363,066,032.68	1,292,581,025.11
Thereinto: Interests receivable		
Dividends receivable		
Inventories	549,101,941.77	469,822,621.33
Contract assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	567,994.32	4,517,190.25
TOTAL CURRENT ASSETS	7,963,768,097.30	5,538,638,942.52
Non-current assets:		
Creditors' investment		
Other creditors' investment		
Long-term receivables		
Long-term equity investments	16,190,388,732.09	15,777,420,830.75

Other equity instruments investment		
Other non-current financial assets		
Investment property	47,401,446.66	47,887,142.07
Fixed assets	1,528,532,041.73	1,572,522,285.38
Construction in progress	1,075,033,985.63	1,004,210,413.32
Productive biological asset		
Oil and gas assets		
Right-of-use asset		
Intangible assets	186,039,062.41	188,313,025.78
Development expenditure		
Goodwill		
Long-term unamortized expenses		
Deferred income tax assets	19,353,898.85	20,062,295.85
Other non-current assets	72,682,596.44	52,686,968.59
TOTAL NON-CURRENT ASSETS	19,119,431,763.81	18,663,102,961.74
TOTAL ASSETS	27,083,199,861.11	24,201,741,904.26
Current liabilities:		
Short-term borrowings	938,000,000.00	1,784,948,400.00
Tradable financial liabilities		
Derivative financial liabilities		
Notes payable	2,752,540,609.36	2,892,140,609.36
Accounts payable	425,696,961.58	486,534,555.84
Advances received from customers		
Contract liability	270,606,683.84	90,731,504.14
Employee payroll payable	14,017,820.99	38,793,025.46
Taxes payable	32,103,288.02	25,810,242.78
Other payables	2,597,967,081.91	3,042,211,786.57
Thereinto: Interests payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities maturing within one year	840,358,004.50	826,111,248.00
Other current liabilities	35,178,868.90	11,795,095.54
TOTAL CURRENT LIABILITIES	7,906,469,319.10	9,199,076,467.69
Non-current liabilities		

Long-term borrowings	2,321,714,424.08	2,425,181,596.58
Bonds payable		
Including: Preferred stock		
Perpetual bond		
Leasing liability		
Long-term payables		
Long-term employee benefits payable		
Accrued liabilities		
Deferred income	1,179,166.86	1,691,666.85
Deferred tax liabilities		
Other non-current liabilities		
TOTAL NON-CURRENT LIABILITIES	2,322,893,590.94	2,426,873,263.43
TOTAL LIABILITIES	10,229,362,910.04	11,625,949,731.12
Owner's equity:		
Capital stock	2,239,610,256.00	2,032,020,889.00
Other equity instruments		
Including: Preferred stock		
Perpetual bond		
Capital surplus	11,634,217,678.82	9,575,394,761.86
Less: treasury stock		
Other comprehensive income	453,270.16	453,270.16
Special reserve		
Surplus reserve	879,993,898.50	879,993,898.50
Undistributed profits	2,099,561,847.59	87,929,353.62
TOTAL OWNER'S EQUITY	16,853,836,951.07	12,575,792,173.14
TOTAL LIABILITIES AND OWNERS' EQUITY	27,083,199,861.11	24,201,741,904.26

3、Consolidated Income Statement

Unit: Yuan

Item	Current accrual	Amount incurred in last period
I. Revenue	4,658,113,773.13	3,702,860,659.67
Including: Operating revenue	4,645,089,821.82	3,689,756,846.06
Interest income	12,937,959.68	12,248,639.58
Earned premium		

Handling charges and commission income	85,991.63	855,174.03
II. Total costs	3,403,196,395.56	2,637,138,834.89
Including: Operating cost	2,965,678,206.51	2,115,534,953.70
Interest expense		388,888.88
Handling charges and commission expenditure	6,285.60	3,321.48
Tax and surcharges	51,615,572.99	32,127,908.59
Sales expenses	28,494,760.92	171,224,155.56
General and administrative expenses	192,504,068.64	136,906,263.81
R&D costs	124,651,477.89	133,354,729.72
Financial expenses	40,246,023.01	47,598,613.15
Thereinto: Interest expense	75,054,183.76	58,341,558.97
Interest income	35,944,121.87	20,414,698.99
Add: Other income	24,502,337.05	58,582,231.57
Income from investments	-29,067,670.97	-24,409,587.43
Including: investment income of associates and joint ventures	1,209,780.45	-6,950,895.46
Credit Impairment	20,459,329.65	-14,816,453.73
Assets impairment	-104,645.73	
Income from asset disposal	-355,722.94	-5,088,870.62
III. Operating profit	1,270,351,004.63	1,079,989,144.57
Add: Non-operating income	1,622,488.37	4,831,861.08
Less: Non-operating expenses	11,250,031.31	7,372,898.75
IV. Total profit	1,260,723,461.69	1,077,448,106.90
Less: Income tax expenses	190,741,950.57	167,360,221.33
V. Net profit	1,069,981,511.12	910,087,885.57
(I) Classification by business continuity		
(1) Net profit from continuing operations	1,069,981,511.12	910,087,885.57
(2) Net profit from terminating operations		
(II) Classification by ownership		
1. Attributable to equity owners of the Parent Company	1,063,717,776.91	901,257,471.39
2. Minority shareholder gains and losses	6,263,734.21	8,830,414.18
VI. Other comprehensive income, net of tax	6,890,632.86	3,535,497.71
Net of tax from other comprehensive income attributable to owners of the parent company	6,872,218.46	3,535,497.71
(I) Other comprehensive income that cannot be	755,879.83	

reclassified to profit or loss		
1. changes in re-measurement and setting of benefit plans		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
(II) Other comprehensive income that will be reclassified to profit or loss	6,116,338.63	3,535,497.71
1. Other comprehensive income that can be transferred to profit or loss under the equity method	17,752,586.23	
2. Changes in the fair value of other debt investments		
3. The amount of financial assets reclassified into other comprehensive income		
4. Provisions for credit impairment of other credit investments		
5. Cash flow hedge reserve		
6. Translation difference in foreign currency financial statements	-11,636,247.60	3,535,497.71
7.other		
Net of tax from other comprehensive income attributable to minority shareholders	18,414.40	
VII. Total comprehensive income	1,076,872,143.98	913,623,383.28
Attributable to equity owners of the Parent Company	1,070,589,995.37	904,792,969.10
Total comprehensive income attributable to minority shareholders	6,282,148.61	8,830,414.18
VIII. Earnings per share:		
(I) Basic income per share	0.52	0.44
(II) Diluted income per share	0.52	0.44

Legal representative: XU Gang Principal in charge of accounting: SHEN Qingfei Head of accounting department: Guo Liangpo

4、Income Statement of Parent Company

Unit: Yuan

Item	Current accrual	Amount incurred in last period
I. Operating income	1,197,705,901.04	895,604,933.24
Less: Operating cost	970,600,808.43	660,371,627.60
Tax and surcharges	7,379,039.82	4,868,281.88
Sales expenses	14,390,357.49	28,162,241.52
General and administrative expenses	48,300,492.61	43,657,064.46
R&D costs	28,508,624.31	35,464,733.95
Financial expenses	-6,712,266.24	24,563,858.88
Thereinto: Interest expense	41,691,214.07	35,197,017.52
Interest income	42,319,429.91	24,862,593.09
Add: Other income	2,112,499.99	4,284,653.18
Income from investments	1,886,526,185.51	1,935,502,459.26
Including: Share of profit of associates and joint ventures	742,135.06	-6,950,895.46
Credit impairment loss	7,800,641.68	4,830,158.82
Income from asset disposal	-478,268.88	-4,097,850.19
II. Operating profit	2,031,199,902.92	2,039,036,546.02
Add: Non-operating income	194,704.98	33,600.00
Less: Non-operating expenses		2,000,000.00
III. Total profits	2,031,394,607.90	2,037,070,146.02
Less: Income tax expenses	19,762,113.93	14,147,378.74
IV. Net profit	2,011,632,493.97	2,022,922,767.28
(I) Net profit from continuing operations	2,011,632,493.97	2,022,922,767.28
(II) Net profit from terminating operations		
V. Net of tax from other comprehensive income		
(I) Other comprehensive income that cannot be reclassified to profit or loss		
1. Changes in re-measurement and setting of benefit plans		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that can be transferred to profit or loss under the equity method		

Other comprehensive income		
2. Changes in fair value of available-for-sale financial assets		
3. Profits or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets		
4. Effective portion of gains or losses on hedging instruments in a cash flow hedge		
5. Translation differences on translation of foreign currency financial statements		
6. Others		
VI. Total comprehensive income	2,011,632,493.97	2,022,922,767.28
VI. Earnings per share:		
(I) Basic income per share		

5、Consolidated Cash Flow Statement

Unit: Yuan

Item	Current accrual	Amount incurred in last period
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	4,393,604,738.63	2,858,410,014.85
Net increase in deposits from clients and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Received net reinsurance cash		
Net increase in household savings and investment funds		
The net increase of financial assets that are measured at fair value and whose changes are included in current profits and losses		
Cash for interest, fees and commissions	13,085,511.75	12,316,303.09
Net increase in borrowing funds		
Net increase in repurchase funds		
Net cash received for buying and selling securities		
Refund of tax		
other cash received relating to operating activities	256,357,896.32	120,146,828.12

Subtotal of cash inflow from operating activities	4,663,048,146.70	2,990,873,146.06
Cash payment for goods and services	2,650,051,543.91	1,495,066,619.82
Net increase in customer loans and advances	-13,206,345.67	17,024,600.42
Net increase in central bank and interbank deposits		
Cash payment for the original insurance contract		
Net increase in financial assets held for trading purposes		
Net increase in lending funds		
Cash to pay interest, fees and commissions	3,646.42	15,695.07
Cash to pay insurance dividends		
Cash paid to and for employees	381,140,919.63	275,893,847.81
Various tax payments	420,115,780.02	305,199,116.44
Payment of other cash related to business activities	343,403,014.32	249,922,634.59
Subtotal of cash outflow from operating activities	3,781,508,558.63	2,343,122,514.15
Net cash flow from operating activities	881,539,588.07	647,750,631.91
II、Cash flow from investment activities：		
Cash received form return of investment	58,241,700.00	150,000,000.00
Cash received on investment income	4,822.44	52,316.99
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets	738,100.00	12,540.00
Net cash received by dispose of subsidiaries and other business units		
Cash received related to other investment activities		400,000.00
Subtotal of cash inflow from investment activities	58,984,622.44	150,464,856.99
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	6,792,419.68	221,498,211.20
Cash paid related to investments	63,153,500.00	150,000,000.00
To obtain the net cash paid by subsidiary and other business unit	291,270,789.19	
Other cash payment related to investment		700,000,000.00
Subtotal of cash outflow from investment activities	361,216,708.87	1,071,498,211.20
Net cash flow from investment activities	-302,232,086.43	-921,033,354.21
III、Cash flow from fundraising activities：		
Cash received by investors	2,436,577,283.97	
Including: Subsidiaries receive cash from minority investors	191,777,290.00	

Cash received from the loan	1,668,862,815.86	2,035,343,700.00
Receipt of other cash related to fund-raising activities	849,726,847.92	303,493,263.77
Subtotal of cash inflow from financing activities	4,955,166,947.75	2,338,836,963.77
Cash Payment for debt	2,750,325,444.14	932,325,886.47
Cash to distribute dividends, profits, or interest payments	83,499,378.81	62,889,233.04
Including: dividends and profits paid by subsidiaries to minority shareholders		
Payment of other cash related to fund-raising activities	1,053,529,616.39	890,117,958.07
subtotal of Cash outflow from financing activities	3,887,354,439.34	1,885,333,077.58
Net cash flow from financing activities	1,067,812,508.41	453,503,886.19
IV、 The effect of exchange rate changes on cash and cash equivalents	1,050,220.64	5,945,639.32
V、 Net increase in cash and cash equivalents	1,648,170,230.69	186,166,803.21
plus: Beginning balance of cash and cash equivalents	1,506,356,636.23	1,055,135,459.37
VI、 Ending balance of cash and cash equivalents	3,154,526,866.92	1,241,302,262.58

6、 Cash Flow Statement of Parent Company

Unit: Yuan

Item	Current accrual	Amount incurred in last period
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	861,888,413.92	422,154,946.56
Refund of taxes and surcharges		
Cash received relating to other operating activities	89,575,177.82	46,423,973.38
Sub-total of cash inflows	951,463,591.74	468,578,919.94
Cash paid for sales of goods and rendering of services	756,709,223.58	629,710,014.78
Cash paid to and on behalf of employees	73,273,836.90	65,939,648.73
Payments of taxes and surcharges	43,042,425.10	25,568,617.74
Cash paid relating to other operating activities	71,291,179.90	53,660,998.74
Sub-total of cash outflows	944,316,665.48	774,879,279.99
Net cash flows from operating activities	7,146,926.26	-306,300,360.05
II. Cash flows from investing activities:		
Cash received from returns on investments		150,000,000.00
Cash received from investments	1,400,000,000.00	52,316.99
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		

Net cash received from disposal of subsidiaries and other business entities		
Cash received relating to other investing activities		28,000,000.00
Sub-total of cash inflows	1,400,000,000.00	178,052,316.99
Cash paid to acquire fixed assets, intangible assets and other long-term assets	23,429,644.54	75,109,231.27
Cash paid to acquire investments	400,000,000.00	196,000,000.00
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities		724,630,000.00
Sub-total of cash outflows	423,429,644.54	995,739,231.27
Net cash flows from investing activities	976,570,355.46	-817,686,914.28
III. Cash flows from financing activities		
Cash received from investment	2,244,799,993.97	
Cash received from borrowing	500,000,000.00	860,557,500.00
Cash received relating to other financing activities	5,232,203,280.28	2,343,220,816.36
Sub-total of cash inflows	7,977,003,274.25	3,203,778,316.36
Cash paid for debt	1,430,942,388.00	117,657,800.00
Cash paid for interest and distribution of dividends or profit	45,363,887.59	35,089,713.28
Cash payments relating to other financing activities	6,313,892,983.27	2,167,734,744.17
Sub-total of cash outflows	7,790,199,258.86	2,320,482,257.45
Net cash flows from financing activities	186,804,015.39	883,296,058.91
IV. Effect of foreign exchange rate changes on cash and cash equivalents	1,935,366.86	542,532.88
V. Net increase in cash and cash equivalents	1,172,456,663.97	-240,148,682.54
Add: Cash and cash equivalents at beginning of year	538,624,077.04	539,607,648.92
VI. Cash and cash equivalents at end of year	1,711,080,741.01	299,458,966.38

II、 Statement of adjustment of financial statements

1. The new lease rule has been implemented since 2021, so adjusting the financial report from the beginning of the financial year.

Applicable Not applicable

Consolidated balance sheet

Unit: Yuan

Items	31 st Dec 2020	1 st Jan 2021	Adjustment
Current asset:			
Cash and cash equivalent	5,127,451,501.02	5,127,451,501.02	
Notes receivable			
Accounts receivable	2,014,982,342.77	2,014,982,342.77	
Receivable Financing	440,624,177.60	440,624,177.60	
Advances to suppliers	670,555,303.56	670,555,303.56	
Other receivables	31,585,769.03	31,585,769.03	
Inventory	3,126,606,102.78	3,126,606,102.78	
Contract assets	1,807,922.72	1,807,922.72	
Other current assets	581,551,944.24	581,551,944.24	
TOTAL CURRENT ASSETS	11,995,165,063.72	11,995,165,063.72	
Non-current assets:			
Loans and advances	505,215,384.56	505,215,384.56	
Long-term receivables	191,479,797.87	191,479,797.87	
Long-term equity investment	210,793,463.17	210,793,463.17	
Other equity instruments investment	797,169.20	797,169.20	
Investment properties	55,409,155.55	55,409,155.55	
Fixed assets	8,816,858,567.75	8,816,858,567.75	
Construction in progress	3,300,883,380.83	3,300,883,380.83	
Right-of-use assets		20,651,355.73	20,651,355.73
Intangible assets	2,543,783,621.57	2,543,783,621.57	
Goodwill	6,072,271,066.23	6,072,271,066.23	
Long-term unamortized expenses	115,375,596.56	115,375,596.56	
Deferred tax assets	250,368,171.36	250,368,171.36	
Other non-current assets	713,028,516.05	713,028,516.05	
TOTAL NON-CURRENT ASSETS	22,776,263,890.70	22,796,915,246.43	20,651,355.73
TOTAL ASSETS	34,771,428,954.42	34,792,080,310.15	20,651,355.73
Current liabilities:			
Short-term borrowings	4,096,580,112.52	4,096,580,112.52	
Notes payable	5,022,859,793.35	5,022,859,793.35	
Accounts payable	2,706,881,905.09	2,706,881,905.09	

Advances from customers	257,955,802.67	257,955,802.67	
Contract liability	225,792,320.70	225,792,320.70	
Payroll payable	272,952,093.72	272,952,093.72	
Tax payable	411,265,027.98	411,265,027.98	
Other payables	4,096,580,112.52	4,096,580,112.52	
Thereinto: Interests payable			
Dividends payable			
Non-current liabilities maturing within one year	1,486,379,981.00	1,486,379,981.00	
Other current liabilities	201,277,201.20	201,277,201.20	
TOTAL CURRENT LIABILITIES	14,681,944,238.23	14,681,944,238.23	
Non-current liabilities:			
Long-term borrowings	3,469,282,193.84	3,469,282,193.84	
Lease liability		20,651,355.73	20,651,355.73
long-term payable	129,262,697.16	129,262,697.16	
Long-term employee payroll payable			
Estimated liabilities	51,991,070.88	51,991,070.88	
Deferred income	268,720,903.23	268,720,903.23	
Deferred tax liabilities	332,639,362.58	332,639,362.58	
TOTAL NON-CURRENT LIABILITIES	4,251,896,227.69	4,272,547,583.42	20,651,355.73
Total liabilities	18,933,840,465.92	18,954,491,821.65	20,651,355.73
Owner's equity:			
Capital stock	2,032,020,889.00	2,032,020,889.00	
Capital surplus	9,578,653,824.61	9,578,653,824.61	
Other comprehensive income	-14,667,371.03	-14,667,371.03	
Special reserve	47,539,985.11	47,539,985.11	
Surplus reserve	879,993,898.50	879,993,898.50	
General risk provisions	9,421,958.57	9,421,958.57	
Undistributed profits	1,661,631,233.88	1,661,631,233.88	
Total equity attributable to equity owners of the Parent Company	14,194,594,418.64	14,194,594,418.64	
Minority interests	1,642,994,069.86	1,642,994,069.86	
TOTAL OWNER'S EQUITY	15,837,588,488.50	15,837,588,488.50	
TOTAL LIABILITIES AND OWNERS' EQUITY	34,771,428,954.42	34,792,080,310.15	20,651,355.73

Balance sheet of Parent company

Unit: Yuan

Items	31 st Dec 2020	1 st Jan 2021	Adjustment
Current asset:			
Cash and cash equivalent	2,846,966,448.08	2,846,966,448.08	
Accounts receivable	357,478,732.07	357,478,732.07	
Receivable Financing	77,640,890.16	77,640,890.16	
Advances to suppliers	489,632,035.52	489,632,035.52	
Other receivables	1,292,581,025.11	1,292,581,025.11	
Inventory	469,822,621.33	469,822,621.33	
Other current assets	4,517,190.25	4,517,190.25	
TOTAL CURRENT ASSETS	5,538,638,942.52	5,538,638,942.52	
Non-current assets:			
Long-term equity investment	15,777,420,830.75	15,777,420,830.75	
Investment properties	47,887,142.07	47,887,142.07	
Fixed assets	1,572,522,285.38	1,572,522,285.38	
Construction in progress	1,004,210,413.32	1,004,210,413.32	
Intangible assets	188,313,025.78	188,313,025.78	
Deferred tax assets	20,062,295.85	20,062,295.85	
Other non-current assets	52,686,968.59	52,686,968.59	
TOTAL NON-CURRENT ASSETS	18,663,102,961.74	18,663,102,961.74	
TOTAL ASSETS	24,201,741,904.26	24,201,741,904.26	
Current liabilities:			
Short-term borrowings	1,784,948,400.00	1,784,948,400.00	
Notes payable	2,892,140,609.36	2,892,140,609.36	
Accounts payable	486,534,555.84	486,534,555.84	
Advances from customers			
Contract liability	90,731,504.14	90,731,504.14	
Payroll payable	38,793,025.46	38,793,025.46	
Tax payable	25,810,242.78	25,810,242.78	
Other payables	3,042,211,786.57	3,042,211,786.57	
Non-current liabilities maturing within one year	826,111,248.00	826,111,248.00	
Other current liability	11,795,095.54	11,795,095.54	
TOTAL CURRENT LIABILITIES	9,199,076,467.69	9,199,076,467.69	

Non-current liabilities:			
Long-term borrowings	2,425,181,596.58	2,425,181,596.58	
Deferred income	1,691,666.85	1,691,666.85	
TOTAL NON-CURRENT LIABILITIES	2,426,873,263.43	2,426,873,263.43	
Total liabilities	11,625,949,731.12	11,625,949,731.12	
Owner's equity:			
Capital stock	2,032,020,889.00	2,032,020,889.00	
Capital surplus	9,575,394,761.86	9,575,394,761.86	
Other comprehensive income	453,270.16	453,270.16	
Surplus reserve	879,993,898.50	879,993,898.50	
Undistributed profits	87,929,353.62	87,929,353.62	
TOTAL OWNER'S EQUITY	12,575,792,173.14	12,575,792,173.14	
TOTAL LIABILITIES AND OWNERS' EQUITY	24,201,741,904.26	24,201,741,904.26	

2. The subscription of the data comparison before the implementation of new income rule and new lease rule since 2020.

Applicable Not applicable

III、 Audit report

Is the Q1 report audited?

yes no

Lomon Billions Group Co., Ltd

Chairman: Xu Gang

19th April 2021