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## **China Hongqiao Group Limited**

**中國宏橋集團有限公司**

*(Incorporated under the laws of Cayman Islands with limited liability)*

**(Stock Code: 1378)**

### **Voluntary Announcement**

Reference is made to the announcement of China Hongqiao Group Limited (the “**Company**”) dated 25 April 2013 in relation to the issue of the Medium-term Notes and Short-Term Financial Bonds in the People’s Republic of China (“**PRC**”) by Shandong Hongqiao New Material Co., Ltd. (“**Shandong Hongqiao**”), a wholly-owned subsidiary of the Company.

As the first quarterly financial information in 2021 of Shandong Hongqiao is available only in Chinese, the Company wishes to provide the following unaudited consolidated balance sheets as at 31 March 2021 and unaudited consolidated income statements for the three months ended 31 March 2021 prepared by Shandong Hongqiao.

The board of directors of the Company wishes to remind investors that the financial information contained herein is prepared based on the generally accepted accounting principles of the PRC and the unaudited management accounts. It has not been reviewed or audited by the auditors of Shandong Hongqiao and the Company.

**The investors are cautioned not to unduly rely on such information and are advised to exercise caution when dealing in the shares of the Company.**

## CONSOLIDATED BALANCE SHEET

Prepared by Shandong Hongqiao New Material Co., Ltd.

Date: 31 March 2021

Units: RMB

Assets	Row	Opening balance	Ending balance	Liabilities and owners' equity	Row	Opening balance	Ending balance
Current assets:				Current liabilities:			
Cash at bank and on hand	1	46,187,294,007.40	49,242,960,955.77	Short-term borrowings	31	20,621,426,697.02	21,005,441,341.10
Financial assets at fair value through profit or loss	2			Financial liabilities at fair value through profit or loss	32		
Financial assets held for trading	3		4,644,425.00	Financial liabilities held for trading	33	212,650.00	
Notes receivable	4	9,157,692,051.01	10,623,848,192.01	Notes payable	34	2,086,174,575.44	2,259,498,685.86
Accounts receivable	5	10,862,924,597.53	8,054,561,179.53	Accounts payable	35	11,209,721,286.61	16,598,531,534.59
Prepayments	6	4,910,980,329.39	9,186,553,625.29	Advances from customers	36		
Contract assets	7			Contract liabilities	37	1,248,331,580.38	1,959,074,441.22
Other receivable	8	4,718,760,783.92	2,824,163,060.10	Staff remuneration payables	38	656,157,970.62	479,727,499.64
Inventories	9	19,325,133,438.37	19,123,442,554.49	Taxes payable	39	4,458,782,417.39	4,779,842,807.92
Assets held for sale	10		35,707,009.62	Other payable	40	6,602,778,307.44	8,348,329,157.33
Non-current assets due within one year	11	2,005,514,980.63	4,509,613,556.17	Liabilities held for sale	41		
Other current assets	12	1,228,361,822.72	1,162,382,720.09	Non-current liabilities due within one year	42	26,573,993,625.49	20,099,451,927.48
				Other current liabilities	43		
Total current assets:		98,396,662,010.97	104,767,877,278.07	Total current liabilities:		73,457,579,110.39	75,529,897,395.14
Non-current assets:				Non-current liabilities:			
Available-for-sale financial assets	13			Long-term borrowings	44	8,220,242,500.00	4,757,555,625.00
Held-to-maturity investments	14			Bonds payable	45	13,345,377,568.65	10,356,695,105.86
Debt investment	15	2,499,000,000.00		Of which: Preference shares			
Long-term receivables	16	92,563,386.52	93,266,436.53	Perpetual bond			
Long-term equity investments	17	4,444,774,129.99	4,589,542,205.66	Lease liabilities	46		
Investment in other equity instruments	18	111,000,782.51	261,000,782.51	Long-term payables	47	2,525,447,725.35	4,487,151,271.11
Investment property	19	4,052,712.05	4,030,759.14	Estimated liabilities	48		
Fixed assets	20	53,794,281,437.17	52,699,095,265.67	Deferred income	49	603,003,357.66	599,167,392.53
Construction in progress	21	3,826,372,806.38	4,355,730,220.86	Deferred tax liabilities	50	272,378,395.90	270,402,492.37
Biological assets for production	22			Other non-current liabilities	51	28,481,570.97	29,018,374.81
Oil and gas assets	23						
Right-of-use assets	24			Total non-current liabilities		24,994,931,118.53	20,499,990,261.68
Intangible assets	25	5,559,208,590.76	5,526,041,151.62				
Development expenses	26			Total liabilities		98,452,510,228.92	96,029,887,656.82
Goodwill	27	278,223,112.57	278,223,112.57				
Long-term prepaid expenses	28	1,022,205.86	767,278.34	Shareholders' equity:			
Deferred tax assets	29	3,101,501,639.46	3,040,186,380.79	Share capital	52	10,605,196,325.04	11,496,248,000.98
Other non-current assets	30	542,501,836.33	565,704,556.18	Other equity instruments	53		
				Of which: Preference shares			
Total non-current assets		74,254,502,639.60	71,413,588,149.87	Perpetual bond			
				Capital reserve	54	5,675,933.28	4,364,624,257.34
				Less: Treasury Share	55		
				Other comprehensive income	56	-3,563,405.19	-3,542,905.19
				Special reserve	57	556,434,145.41	591,004,824.76
				Surplus reserve	58	1,616,664,787.79	1,616,664,787.79
				Undistributed profits	59	57,253,295,560.74	57,933,914,121.85
				Minority interests	60	4,164,951,074.58	4,152,664,683.59
				Total owners' equity:		74,198,654,421.65	80,151,577,771.12
TOTAL ASSETS		172,651,164,650.57	176,181,465,427.94	TOTAL LIABILITIES AND OWNERS' EQUITY		172,651,164,650.57	176,181,465,427.94

Person-in-charge of  
corporate:  
**Zhang Bo**

Person-in-charge of  
accounting:  
**Zhang Ruilian**

Person-in-charge of  
accounting institution:  
**Ma Fei**

## CONSOLIDATED INCOME STATEMENT

Prepared by Shandong Hongqiao New Material Co., Ltd.      January to March 2021      Units: RMB

Item	Row	Amount for the corresponding period last year	Accumulated Amount for the current year
I. Operating income	1	19,365,195,376.01	25,193,250,503.10
Less: Operating cost	2	15,990,624,487.16	18,228,087,553.89
Taxes and surcharges	3	168,919,355.83	288,716,400.97
Selling expenses	4	60,804,206.99	8,689,672.96
Administrative expenses	5	547,586,320.26	724,264,500.16
Research and development expenses	6	191,216,303.45	214,052,384.27
Financial expenses	7	1,093,674,045.59	899,688,471.07
Of which: Interests expenses	8	972,713,878.20	866,742,148.97
Interests income	9	83,371,539.25	69,825,759.40
Add: Other gains	10	1,985,892.87	6,439,961.47
Investment gains (Losses are indicated by “-”)	11	114,429,443.93	24,200,940.55
Gains from changes in fair value (Losses are indicated by “-”)	12	-15,035,489.00	4,836,575.00
Credit impairment losses (Losses are indicated by “-”)	13	-3,185,607.06	1,559,566.67
Asset impairment losses (Losses are indicated by “-”)	14	-31,858,005.41	-8,579,933.56
Gains on disposal of assets (Losses are indicated by “-”)	15	-3,781,995.04	0.02
II. Operating profit (Losses are indicated by “-”)		1,374,924,897.02	4,858,208,629.93
Add: Non-operating income	16	22,108,456.84	28,373,058.70
Less: Non-operating expenses	17	165,502.28	734,979.85
III. Total profit (Total loss is indicated by “-”)		1,396,867,851.58	4,885,846,708.78
Less: Income tax expenses	18	268,632,681.41	1,220,514,538.60
IV. Net profit (Net loss is indicated by “-”)		1,128,235,170.17	3,665,332,170.18
(I) Net profit from continuing operations (Net loss is indicated by “-”)		1,128,235,170.17	3,665,332,170.18
(II) Net profit from discontinued operations (Net loss is indicated by “-”)			

Person-in-charge of  
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accounting:  
**Zhang Ruilian**

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**Ma Fei**

By Order of the Board  
**China Hongqiao Group Limited**  
**Zhang Bo**  
*Chairman*

Shandong, the People’s Republic of China  
27 April 2021

*As at the date of this announcement, the Board comprises eleven Directors, namely Mr. Zhang Bo, Ms. Zheng Shuliang and Ms. Zhang Ruilian as executive Directors, Mr. Yang Congsen, Mr. Zhang Jinglei, Mr. Li Zimin (Mr. Zhang Hao as his alternate) and Ms. Sun Dongdong as non-executive Directors, and Mr. Wen Xianjun, Mr. Xing Jian, Mr. Han Benwen and Mr. Dong Xinyi as independent non-executive Directors.*