

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



第一拖拉机股份有限公司
FIRST TRACTOR COMPANY LIMITED*

(a joint stock company incorporated in The People's Republic of China with limited liability)

(Stock Code: 0038)

2021 FIRST QUARTERLY REPORT

I. IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”) and board of supervisors of First Tractor Company Limited* (the “**Company**”), and its directors (the “**Director(s)**”), supervisors and senior management warrant that there are no false information, misleading statements or material omissions contained in the quarterly report, and severally and jointly accept legal responsibility for the truthfulness, accuracy and completeness of the contents herein.
- 1.2 All Directors of the Company attended the Board meeting to consider this quarterly report.
- 1.3 Li Xiaoyu (person in charge of the Company), Su Ye (person in charge of the accounting function) and Yao Weidong (person in charge of the Accounting Department and the Accounting Manager) have warranted the truthfulness, accuracy and completeness of the financial statements in this quarterly report.
- 1.4 This first quarterly report of the Company is unaudited.

II. DEFINITIONS

Unless the context otherwise requires, the following terms should have the following meanings in this first quarterly report:

A Share	means	ordinary shares as approved by the CSRC which are issued to domestic investors and qualified foreign investors, traded on PRC stock exchanges, denominated, subscribed for and traded in RMB
Company, First Tractor	means	First Tractor Company Limited* (第一拖拉機股份有限公司)
controlled subsidiary	means	a company held as to more than 50% shares or equity interests by the Company, and a company actually controlled by the Company through agreement and arrangement
CSRC	means	China Securities Regulatory Commission
Group	means	the Company and its controlled subsidiaries
H Share	means	ordinary shares as approved by the CSRC which are issued to foreign investors, and listed with the approval of the Stock Exchange, denominated in RMB, subscribed for and traded in Hong Kong dollars
Non-public Issuance	means	the non-public issuance of A Shares in 2020
Shanghai Stock Exchange	means	the Shanghai Stock Exchange
Stock Exchange	means	The Stock Exchange of Hong Kong Limited
YTO	means	YTO Group Corporation (中國一拖集團有限公司), the controlling shareholder of the Company
YTO Finance	means	China YTO Group Finance Company Limited (中國一拖集團財務有限責任公司), a controlled subsidiary of the Company
YTO Shentong	means	YTO (Luoyang) Shentong Construction Machinery Company Limited (一拖(洛陽)神通工程機械有限公司), which has been put into bankruptcy and liquidation

III. BASIC INFORMATION OF THE COMPANY

3.1 Major financial data

Unit: Yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of the previous year	Increase/Decrease as at the end of the Reporting Period as compared to the end of the previous year (%)
Total assets	12,855,950,614.49	12,342,608,882.99	4.16
Net assets attributable to shareholders of the Company	5,420,368,063.15	4,338,179,097.26	24.95
	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	Year-on-year increase/decrease (%)
Net cash flows from operating activities	194,000,471.15	-76,312,396.98	N/A
	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	Year-on-year increase/decrease (%)
Operating revenue	3,222,188,599.04	2,076,914,102.11	55.14
Net profit attributable to shareholders of the Company	388,261,682.45	198,494,578.64	95.60
Net profit attributable to shareholders of the Company after deduction of non-recurring profit or loss	379,921,893.83	189,963,019.81	100.00
Weighted average return on net assets (%)	7.77	4.76	Increased by 3.01 percentage points
Basic earnings per share (<i>Yuan/share</i>)	0.3603	0.2013	78.99
Diluted earnings per share (<i>Yuan/share</i>)	0.3603	0.2013	78.99

Note: During the Reporting Period, the registration of shares in respect of the Company's non-public issuance of A Shares was completed, and the total share capital of the Company was increased from 985,850,000 shares to 1,123,645,275 shares. The earnings per share were calculated based on the change in share capital using the weighted average method.

Non-recurring profit or loss items and amounts

Unit: Yuan Currency: RMB

Item	Amount for the period	Explanation
Profit or loss from disposal of non-current assets	3,224,682.06	
Government grants credited to current profit or loss (except for those which are closely related to the Company's ordinary business, in accordance with the PRC national policies and continuously received in certain standard amounts and quantities)	5,949,690.07	
Gain or loss on changes in fair value of held-for- trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and investment income from disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investments, other than effective hedging activities related to normal business operations of the Company	418,763.30	
Non-operating income and expenses other than those stated above	404,746.41	
Effect of minority shareholders' interests (after tax)	-1,153,370.40	
Effect of income tax	-504,722.82	
Total	<u>8,339,788.62</u>	<u></u>

3.2 Table of total number of shareholders, shareholdings of the top ten shareholders and the top ten shareholders of circulating shares (or shareholders without selling restriction) as at the end of the Reporting Period

Unit: Share

Total number of shareholders 56,228

Including 55,890 shareholders of A Shares
and 338 shareholders of H Shares

Shareholdings of the top ten shareholders

Name of shareholders (full name)	Number of shares held as at the end of the period	Percentage (%)	Number of shares held with selling restriction	Subject to pledge or moratorium		Nature of shareholders
				Status of shares	Number	
YTO Group Corporation	548,485,853	48.81	137,795,275	Nil	/	State-owned legal person
HKSCC NOMINEES LIMITED <i>(Note 1)</i>	388,029,319	34.53	0	Unknown	/	Overseas legal person
China Construction Bank Corporation Henan Province Branch	9,444,950	0.84	0	Unknown	/	Other
Hong Kong Securities Clearing Company Limited <i>(Note 2)</i>	3,472,123	0.31	0	Unknown	/	Overseas legal person
Du Guoping	1,482,500	0.13	0	Unknown	/	Domestic natural person
Wang Tao	1,200,010	0.11	0	Unknown	/	Domestic natural person
Li Xinyu	916,130	0.08	0	Unknown	/	Domestic natural person
Gu Jinhui	915,578	0.08	0	Unknown	/	Domestic natural person
Zhang Yulin	831,400	0.07	0	Unknown	/	Domestic natural person
Jiao Yanfeng	790,000	0.07	0	Unknown	/	Domestic natural person

Shareholdings of the top ten shareholders without selling restriction

Name of shareholders	Number of circulating shares held without selling restriction	Class and number of shares	
		Class	Number
YTO Group Corporation	410,690,578	Ordinary shares denominated in RMB	410,690,578
HKSCC NOMINEES LIMITED (<i>Note 1</i>)	388,029,319	Overseas listed foreign shares	388,029,319
China Construction Bank Corporation Henan Province Branch	9,444,950	Ordinary shares denominated in RMB	9,444,950
Hong Kong Securities Clearing Company Limited (<i>Note 2</i>)	3,472,123	Ordinary shares denominated in RMB	3,472,123
Du Guoping	1,482,500	Ordinary shares denominated in RMB	1,482,500
Wang Tao	1,200,010	Ordinary shares denominated in RMB	1,200,010
Li Xinyu	916,130	Ordinary shares denominated in RMB	916,130
Gu Jinhui	915,578	Ordinary shares denominated in RMB	915,578
Zhang Yulin	831,400	Ordinary shares denominated in RMB	831,400
Jiao Yanfeng	790,000	Ordinary shares denominated in RMB	790,000
Explanation on connected relation or parties acting in concert of the aforesaid shareholders	Among the top ten shareholders and top ten shareholders without selling restrictions, YTO, the controlling shareholder of the Company, has no connected relationship with, nor is it a party acting in concert (as defined in the Administrative Measures on Acquisitions by Listed Companies) with, any other shareholders. The Company is not aware of any connected relationship among other shareholders, nor aware of any parties acting in concert among them as defined in the Administrative Measures on Acquisitions by Listed Companies.		
Description of preferential shareholders with restoration of voting rights and their shareholdings	N/A		

Note 1: The overseas listed foreign shares held by HKSCC NOMINEES LIMITED are held on behalf of various customers;

Note 2: The ordinary shares dominated in RMB held by Hong Kong Securities Clearing Company Limited are held on behalf of overseas investors who held these shares via the Northbound Trading through the Shanghai- Hong Kong Stock Connect.

IV. SIGNIFICANT EVENTS

4.1 Particulars of and reasons for material changes in major accounting statement items and financial indicators of the Company

Consolidated balance sheet

Items	Amount as at the end of the period	Amount as at the beginning of the year	Percentage changes %	Reasons
Financial assets held for trading	1,724,393,813.96	1,306,381,357.98	32.00	Increase in structured deposits of the Company in the period
Accounts receivable	1,216,402,522.87	376,202,670.98	223.34	Accounts receivable of the Company as at the beginning of the period were at a respectively low level for the whole year due to the effect of seasonality in sales of agricultural machinery. The accounts receivable arising from sales of goods had not yet been due for collection in the first quarter which was the peak season.
Receivables financing	627,212,599.51	374,916,413.50	67.29	Increase in bank acceptance received from sale of products
Financial assets purchased with agreement to resale	951,975,549.16	1,561,721,065.92	-39.04	Changes in the scale of financial assets at points of time held by YTO Finance as at the end of the period
Other current assets	155,016,268.38	281,587,195.02	-44.95	Decrease in value-added tax left for deduction
Short-term loans	484,203,264.15	834,263,379.71	-41.96	Repayment of part of due short-term loans
Loans from banks and other financial institutes	0.00	300,066,666.67	-100.00	Return of loans from banks and other financial institutes by YTO Finance
Accounts payable	2,385,304,265.81	1,788,192,802.43	33.39	Increase in purchase and the accounts payable had not been due for payment
Contact liabilities	160,138,212.33	398,850,436.72	-59.85	Realization of sales and fulfillment of contractual obligations for the purpose of advances on sales

Items	Amount as at the end of the period	Amount as at the beginning of the year	Percentage changes %	Reasons
Taxes payables	37,720,334.31	23,075,553.98	63.46	Increase in output tax as a result of increase in sales volume of subsidiaries
Other current liabilities	535,667,253.12	255,104,052.55	109.98	Increase in the operating revenue and in the provision for discount and allowance
Retained earnings	1,183,325,860.78	795,064,178.33	48.83	Relatively good operating results achieved by the Company

Consolidated income statement

Items	Amount for the period	Amount for the corresponding period of the previous year	Percentage changes %	Reasons
Operating revenue	3,222,188,599.04	2,076,914,102.11	55.14	Year-on-year increase in sales of products
Cost of operation	2,619,064,214.23	1,691,320,287.37	54.85	Year-on-year increase in sales of products
Selling expenses	46,836,764.85	67,681,775.94	-30.80	Reclassification of transportation fee to operating costs during the period
Investment income (Loss listed with “-”)	4,668,815.14	328,925,344.78	-98.58	Reversal of the excess loss of the Company for the previous period due to the bankruptcy and liquidation of YTO Shentong during the corresponding period of the previous year and no such event during the period
Gain arising from the changes in fair value (Loss listed with “-”)	522,189.49	-2,068,791.27	N/A	Year-on-year increase in the gain arising from the changes in fair value of the financial assets held for trading held by the subsidiaries during the period
Loss on impairment of assets (Loss listed with “-”)	1,119,067.89	-56,462,994.31	N/A	Provision for the impairment of the long-term equity investments of the Company in YTO Shentong due to its bankruptcy and liquidation during the corresponding period of the previous year and no such event during the period. Reversal of value of inventories due to an increase in sales volume of products and the upturn of value of certain inventories during the period
Loss on credit impairment (Loss listed with “-”)	-31,456,817.94	-292,042,780.24	N/A	Provision for the loss on credit impairment of the Company in YTO Shentong due to its bankruptcy and liquidation during the corresponding period of the previous year and no such event during the period
Gain on disposal of assets (Loss listed with “-”)	3,224,682.06	-15,923.13	N/A	Accelerated disposal of inefficient and inefficacious assets by the Company during the period
Income tax expenses	-3,330,943.41	-19,466,126.47	N/A	Decrease in deferred income tax expenses recognized during the period

Consolidated cash flow statement

Items	Amount for the period	Amount for the corresponding period of the previous year	Percentage changes %	Reasons
Net cash flows from operating activities	194,000,471.15	-76,312,396.98	N/A	Increase in net amount in repurchase operations of YTO Finance and increase in the cash received from sales of goods during the period
Net cash flows from investing activities	-455,224,732.55	82,065,572.74	N/A	Year-on-year increase in investment in structured deposits
Net cash flows from financing activities	337,278,460.11	-241,890,853.56	N/A	Receipt of the investment proceeds from the non-public issuance during the period

4.2 Analysis and explanation of progress and impact of significant events and solutions

1. The Company conducted the Non-public Issuance of 137,795,275 ordinary Shares denominated in RMB (A Shares) with a par value of RMB1 each at an issue price of RMB5.08 per Share, with a total of funds raised amounting to RMB699,999,997. The procedures for registration of the new shares under the issuance with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited were completed on 9 February 2021, and the lock-up period was 36 months. For details, please refer to the Announcement on Issue Results of Non-public Issuance of A Shares and Changes in Shareholding Structure of First Tractor (《一拖股份非公開發行A股股票發行結果暨股本變動的公告》) published by the Company on the website of the Shanghai Stock Exchange on 19 February 2021, and the overseas regulatory announcement published on the website of the Stock Exchange on 18 February 2021.

2. On 25 January 2021, the raised funds from the Company's Non-public Issuance after deducting the underwriting fee and sponsor fee, amounting to RMB697,999,997, were fully transferred to the designated account of the Company. On 26 January 2021, the Company, CITIC Securities Co., Ltd. and China Everbright Bank Company Limited Zhengzhou Branch entered into the Tripartite Custody Agreement relating to the Raised Funds. For details, please refer to the Announcement of First Tractor Company Limited in relation to the Entering Into of the Tripartite Custody Agreement on the Funds Raised from the Non-public Issuance of A Shares published by the Company on the website of the Shanghai Stock Exchange on 28 January 2021 and the Announcement in Relation to the Entering into the Tripartite Custody Agreement Relating to the Designated Accounts for Raised Funds published by the Company on the website of the Stock Exchange on 27 January 2021.
3. As at 22 March 2021, all raised funds of the Company were used to replenish the working capital, and the designated account for funds raised was under the procedures for closing. For details, please refer to the Announcement of First Tractor Company Limited in relation to the Closing of Designated Account for Funds Raised from Non-Public Issuance published by the Company on the website of the Shanghai Stock Exchange on 23 March 2021 and the overseas regulatory announcement published by the Company on the website of the Stock Exchange on 22 March.
4. On 23 February 2021, the Company held the 2021 first extraordinary general meeting and the 13th meeting of the eighth session of the Board of Supervisors, at which Mr. Wang Dongxing was elected as a non-staff representative supervisor and the chairman of the eighth session of the Board of Supervisors of the Company, with a term of office from 23 February 2021 to 28 October 2021. For details, please refer to the Announcement of First Tractor on the Resolutions of the 2021 First Extraordinary General Meeting (《一拖股份2021年第一次臨時股東大會決議公告》) and the “Announcement of First Tractor on the Election of Chairman of Board of Supervisors” (《一拖股份關於選舉監事會主席的公告》) published by the Company on the website of the Shanghai Stock Exchange on 24 February 2021 and the “Announcement on the Resolutions of the 2021 First Extraordinary General Meeting and Election of Chairman of Board of Supervisors (《2021年第一次臨時股東大會決議及選舉監事會主席的公告》) published by the Company on the website of the Stock Exchange on 23 February 2021.

5. As at the end of the Reporting Period, the total structured deposits held by the Company amounted to RMB720 million, in respect of which RMB220 million, RMB200 million, RMB200 million and RMB100 million were purchased from China Everbright Bank Company Limited, Agricultural Bank of China Limited, Industrial and Commercial Bank of China Limited and Bank of Communications Co., Ltd., respectively.

By Order of the Board
FIRST TRACTOR COMPANY LIMITED
YU Lina
Company Secretary

Luoyang, the PRC
28 April 2021

As at the date of this announcement, the Board comprises Mr. Li Xiaoyu (Chairman), Mr. Cai Jibo (vice Chairman) and Mr. Liu Jiguo as executive Directors; Mr. Li Hepeng, Mr. Xie Donggang and Mr. Zhou Honghai as non-executive Directors; and Ms. Yang Minli, Ms. Wang Yuru and Mr. Edmund Sit as independent non-executive Directors.

* *For identification purposes only*

V. APPENDIX

5.1 Financial Statements

Consolidated Balance Sheet

31 March 2021

Prepared by: First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: unaudited

Item	31 March 2021	31 December 2020
Current assets:		
Monetary Funds	1,761,484,010.50	1,702,625,475.53
Settlement reserves for balance		
Loans to banks and other financial institutions	40,000,000.00	40,000,000.00
Financial assets held for trading	1,724,393,813.96	1,306,381,357.98
Derivative financial assets		
Notes receivable	200,000.00	892,050.97
Accounts receivable	1,216,402,522.87	376,202,670.98
Receivables financing	627,212,599.51	374,916,413.50
Advances to suppliers	147,456,520.80	177,372,921.45
Premium receivables		
Reinsurance receivables		
Reinsurance contract reserves receivable		
Other receivables	33,750,241.62	26,301,581.33
Including: Interest receivable	6,879.28	1,571.53
Dividends receivable		
Financial assets purchased with agreement to resale	951,975,549.16	1,561,721,065.92
Inventories	1,178,427,013.81	1,356,265,811.19
Contract assets		
Assets classified as held for sale		
Non-current assets due within one year	231,728,276.36	238,726,244.12
Other current assets	155,016,268.38	281,587,195.02
Total current assets	8,068,046,816.97	7,442,992,787.99

Item	31 March 2021	31 December 2020
Non-current assets:		
Loans and advances to customers	902,716,770.44	982,249,523.38
Debt investments		
Other debt investments		
Long-term receivables	151,231,506.76	132,870,486.03
Long-term equity investments	124,747,931.18	122,332,619.67
Other investments in equity instruments	4,839,048.00	4,839,048.00
Other non-current financial assets		
Investment properties		
Fixed assets	2,555,646,398.81	2,617,726,435.41
Construction in progress	101,048,125.83	96,000,297.40
Productive biological assets		
Oil and gas assets		
Right-of-use assets	27,487,565.10	28,901,686.93
Intangible assets	761,707,527.12	766,872,164.74
Research and development expenses		
Goodwill		
Long-term unamortized expenses	47,812,156.79	44,912,084.65
Deferred tax assets	110,666,767.49	102,911,748.79
Other non-current assets		
	_____	_____
Total non-current assets	<u>4,787,903,797.52</u>	<u>4,899,616,095.00</u>
Total assets	<u>12,855,950,614.49</u>	<u>12,342,608,882.99</u>

Item	31 March 2021	31 December 2020
Current liabilities:		
Short-term loans	484,203,264.15	834,263,379.71
Borrowings from central bank		
Loans from banks and other financial institutes		300,066,666.67
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	1,304,187,186.51	1,547,322,110.70
Accounts payable	2,385,304,265.81	1,788,192,802.43
Advances from customers		
Contact liabilities	160,138,212.33	398,850,436.72
Funds from selling (out) and repurchasing financial assets		
Receipts of deposits and deposits from other banks	1,101,053,082.89	1,412,624,683.26
Brokerage for trading securities		
Brokerage for consigning securities		
Employee benefits payable	82,686,504.52	91,878,235.64
Taxes payables	37,720,334.31	23,075,553.98
Other payables	205,441,674.31	209,162,369.54
Including: Interest payable	12,605,843.99	10,893,031.49
Dividends payable	8,439,607.81	8,439,607.83
Fee and commission payable		
Reinsurance accounts payables		
Liabilities classified as held for sale		
Non-current liabilities due within one year	16,395,394.06	14,142,498.21
Other current liabilities	535,667,253.12	255,104,052.55
Total current liabilities	<u>6,312,797,172.01</u>	<u>6,874,682,789.41</u>

Item	31 March 2021	31 December 2020
Non-current liabilities:		
Reserves for insurance contract		
Long-term loans	99,600,000.00	99,800,000.00
Bonds payable		
Including: Preference shares		
Perpetual bond		
Lease liabilities	11,329,777.22	14,850,790.14
Long-term payables	8,851,417.84	9,151,465.90
Long-term employee salary payable	78,569,914.36	78,569,914.36
Estimated liabilities	2,652,542.65	2,652,542.65
Deferred income	138,660,233.07	142,638,278.14
Deferred tax liabilities	144,099,397.98	144,741,265.28
Other non-current liabilities		
	_____	_____
Total non-current liabilities	<u>483,763,283.12</u>	<u>492,404,256.47</u>
Total liabilities	<u>6,796,560,455.13</u>	<u>7,367,087,045.88</u>

Item	31 March 2021	31 December 2020
Owner's equity (or shareholder's equity):		
Paid-up capital (or share capital)	1,123,645,275.00	985,850,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bond		
Capital reserves	2,656,336,598.48	2,099,466,626.33
Less: Treasury shares		
Other comprehensive income	-28,161,100.88	-26,960,733.16
Special reserves	3,477,865.23	3,015,461.22
Surplus reserves	442,101,172.16	442,101,172.16
General risk reserves	39,642,392.38	39,642,392.38
Retained earnings	1,183,325,860.78	795,064,178.33
Total equity attributable to owners of the parent company (or shareholders' equity)	5,420,368,063.15	4,338,179,097.26
Minority interests	639,022,096.21	637,342,739.85
Total owners' equity (or shareholder's equity)	<u>6,059,390,159.36</u>	<u>4,975,521,837.11</u>
Total liabilities and owners' equity (or shareholder's equity)	<u>12,855,950,614.49</u>	<u>12,342,608,882.99</u>

Legal Representative:
Li Xiaoyu

Chief Financial Officer:
Su Ye

Accounting Manager:
Yao Weidong

Balance Sheet of the Parent Company
31 March 2021

Prepared by: First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: unaudited

Item	31 March 2021	31 December 2020
Current assets:		
Monetary Funds	1,675,513,526.54	1,608,714,731.40
Financial assets held for trading	912,429,377.77	512,201,600.00
Derivative financial assets		
Notes receivable	200,000.00	892,050.97
Accounts receivable	781,958,554.88	347,769,727.04
Receivables financing	504,766,321.37	192,533,034.72
Advances to suppliers	207,837,927.13	233,981,978.59
Other receivables	86,422,498.09	82,958,827.14
Including: Interest receivable	2,187,353.36	1,558,254.73
Dividends receivable	76,808,376.96	76,808,376.96
Inventories	676,107,844.96	845,454,361.90
Contract assets		
Assets classified as held for sale		
Non-current assets due within one year		
Other current assets	525,093,416.13	651,878,524.75
Total current assets	<u>5,370,329,466.87</u>	<u>4,476,384,836.51</u>

Item	31 March 2021	31 December 2020
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	2,132,577,149.48	2,130,056,078.80
Other investments in equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	1,463,440,378.57	1,495,186,425.93
Construction in progress	54,806,144.00	51,995,691.52
Productive biological assets		
Oil and gas assets		
Right-of-use assets	19,828,494.06	20,630,385.89
Intangible assets	511,184,463.94	513,657,721.90
Research and development expenses		
Goodwill		
Long-term unamortized expenses	34,412,902.92	31,728,854.65
Deferred tax assets	53,172,713.75	46,231,011.85
Other non-current assets		
	-----	-----
Total non-current assets	<u><u>4,269,422,246.72</u></u>	<u><u>4,289,486,170.54</u></u>
Total assets	<u><u>9,639,751,713.59</u></u>	<u><u>8,765,871,007.05</u></u>

Item	31 March 2021	31 December 2020
Current liabilities:		
Short-term loans	1,151,734,727.90	1,601,734,727.90
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	956,430,827.42	1,108,582,868.61
Accounts payable	1,706,632,401.35	1,164,874,749.77
Advances from customers		
Contract liabilities	147,773,120.15	227,234,931.67
Employee benefits payable	48,158,042.66	54,129,972.18
Taxes payables	5,085,278.81	4,951,437.55
Other payables	145,508,809.50	146,058,309.25
Including: Interest payable		
Dividends payable		
Liabilities classified as held for sale		
Non-current liabilities due within one year	253,272,415.11	251,018,241.26
Other current liabilities	51,120,694.19	49,918,107.90
	<hr/>	<hr/>
Total current liabilities	<u>4,465,716,317.09</u>	<u>4,608,503,346.09</u>

Item	31 March 2021	31 December 2020
Non-current liabilities:		
Long-term loans	99,600,000.00	99,800,000.00
Bonds payable		
Including: Preference shares		
Perpetual bond		
Lease liabilities	7,142,018.46	10,098,084.14
Long-term payables		
Long-term employee salary payable	53,349,151.96	53,349,151.96
Estimated liabilities	2,652,542.65	2,652,542.65
Deferred income	92,200,064.02	94,746,864.62
Deferred tax liabilities	15,364,406.66	15,330,240.00
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u>270,308,183.75</u>	<u>275,976,883.37</u>
Total liabilities	<u>4,736,024,500.84</u>	<u>4,884,480,229.46</u>

Item	31 March 2021	31 December 2020
Owner's equity (or shareholder's equity):		
Paid-up capital (or share capital)	1,123,645,275.00	985,850,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bond		
Capital reserves	2,561,663,018.10	2,004,793,045.95
Less: Treasury shares		
Other comprehensive income		
Special reserves		
Surplus reserves	367,607,888.33	367,607,888.33
Retained earnings	<u>850,811,031.32</u>	<u>523,139,843.31</u>
Total owners' equity (or shareholders' equity)	<u>4,903,727,212.75</u>	<u>3,881,390,777.59</u>
Total liabilities and owners' equity (or shareholder's equity)	<u>9,639,751,713.59</u>	<u>8,765,871,007.05</u>

Legal Representative:
Li Xiaoyu

Chief Financial Officer:
Su Ye

Accounting Manager:
Yao Weidong

Consolidated Income Statement

January to March 2021

Prepared by: First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Total operating revenue	3,248,779,081.70	2,097,315,992.71
Including: Operating revenue	3,222,188,599.04	2,076,914,102.11
Interest income	25,059,572.47	19,394,641.51
Earned insurance premiums		
Fees and commission	1,530,910.19	1,007,249.09
II. Total cost of operation	2,846,532,932.41	1,919,556,556.01
Including: Cost of operation	2,619,064,214.23	1,691,320,287.37
Interest expenses	5,516,100.49	5,288,014.69
Fees and commission expense	131,748.11	84,762.53
Refunded premiums		
Net amount of compensation payout		
Net amount of reserves for reinsurance contract		
Policy dividend payment		
Reinsurance expenses		
Taxes and surcharges	12,624,851.94	11,768,722.76
Selling expenses	46,836,764.85	67,681,775.94
Administrative expenses	72,131,426.18	69,908,446.61
Research and development expenses	83,958,853.23	67,953,853.27
Financial expenses	6,268,973.38	5,550,692.84
Including: Interest expenses	8,885,312.15	24,222,300.78
Interest income	730,673.05	5,127,217.66

Item	First quarter of 2021	First quarter of 2020
Add: Other gains	5,877,690.07	7,914,802.38
Investment income (Loss listed with “-”)	4,668,815.14	328,925,344.78
Including: Income from investments in associates and joint ventures	2,530,108.94	-128,963.18
Gains on derecognition of financial assets measured at amortized cost		
Exchange gain (Loss listed with “-”)		
Net gain on hedging exposure (Loss listed with “-”)		
Gain arising from the changes in fair value (Loss listed with “-”)	522,189.49	-2,068,791.27
Loss on credit impairment (Loss listed with “-”)	-31,456,817.94	-292,042,780.24
Loss on impairment of assets (Loss listed with “-”)	1,119,067.89	-56,462,994.31
Gain on disposal of assets (Loss listed with “-”)	3,224,682.06	-15,923.13
III. Operating profit (Loss listed with “-”)	386,201,776.00	164,009,094.91
Add: Non-operating income	2,309,698.22	1,014,089.48
Less: Non-operating expenses	1,832,951.81	1,912.35
IV. Total profit (Total loss listed with “-”)	386,678,522.41	165,021,272.04
Less: Income tax expenses	-3,330,943.41	-19,466,126.47
V. Net profit (Net loss listed with “-”)	390,009,465.82	184,487,398.51
(I) Classification according to the continuity of operation		
1. Continuous operating net profit (Net loss listed with “-”)	390,009,465.82	184,487,398.51
2. Termination of net profit (Net loss listed with “-”)		
(II) Classification according to ownership		
1. Net profit attributable to shareholders of the parent company (Net loss listed with “-”)	388,261,682.45	198,494,578.64
2. Non-controlling interests (Net loss listed with “-”)	1,747,783.37	-14,007,180.13

Item	First quarter of 2021	First quarter of 2020
VI. Net other comprehensive income after tax	-1,311,198.94	-5,036,922.56
(I) Net other comprehensive income after tax attributable to owners of the parent company	-1,200,367.72	-6,851,620.45
1. Other comprehensive income that cannot be reclassified to profit or loss		
(1) Changes of re-measurement of defined benefit plans		
(2) Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
(3) Changes in fair value of other investment in equity instruments		
(4) Changes in fair value of the enterprise's own credit risks		
2. Other comprehensive income that will be reclassified to profit or loss	-1,200,367.72	-6,851,620.45
(1) Other comprehensive income that can be reclassified into profit or loss under the equity method		
(2) Changes in fair value of other debt investments		
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Provision for the credit impairment of other debt investments		
(5) Reserves for cash flows hedges		
(6) Differences on translation of foreign currency financial statements	-1,200,367.72	-6,851,620.45
(7) Others		
(II) Net other comprehensive income after tax attributable to minority interests	-110,831.22	1,814,697.89

Item	First quarter of 2021	First quarter of 2020
VII. Total comprehensive income	388,698,266.88	179,450,475.95
(I) Total comprehensive income attributable to owners of the parent company	387,061,314.73	191,642,958.19
(II) Total comprehensive income attributable to minority interests	1,636,952.15	-12,192,482.24
VIII. Earnings per share:		
(I) Basic earnings per share (<i>Yuan/share</i>)	0.3603	0.2013
(II) Diluted earnings per share (<i>Yuan/share</i>)	0.3603	0.2013

The net profit realized by the parties being absorbed prior to the business combinations under common control was RMB nil during the period and RMB nil for the previous period.

Legal Representative:
Li Xiaoyu

Chief Financial Officer:
Su Ye

Accounting Manager:
Yao Weidong

Income Statement of the Parent Company
January to March 2021

Prepared by: First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Operating revenue	2,535,110,949.90	1,620,343,622.00
Less: Cost of operation	2,107,894,571.61	1,381,709,347.41
Taxes and surcharges	5,262,034.13	5,227,205.36
Selling expenses	9,917,634.58	1,513,251.51
Administrative expenses	37,539,073.33	32,897,412.60
Research and development expenses	62,294,880.44	33,851,025.23
Financial expenses	-619,897.56	14,431,552.27
Including: Interest expenses	16,033,272.41	31,845,528.06
Interest income	12,950,682.54	14,168,794.02
Add: Other gains	4,330,081.09	5,234,614.74
Investment income (Loss listed with “-”)	4,792,285.86	-99,867.03
Including: Income from investments in associates and joint ventures	2,552,002.20	-99,867.03
Gains on derecognition of financial assets measured at amortized cost		
Net gain on hedging exposure (Loss listed with “-”)		
Gain arising from the changes in fair value (Loss listed with “-”)	227,777.77	
Loss on credit impairment (Loss listed with “-”)	-2,623,606.86	-9,643,866.17
Loss on impairment of assets (Loss listed with “-”)	1,192,776.70	956,822.24
Gain on disposal of assets (Loss listed with “-”)	291,753.23	-20,826.04

Item	First quarter of 2021	First quarter of 2020
II. Operating profit (Loss listed with “-”)	321,033,721.16	147,140,705.36
Add: Non-operating income	176,976.78	678,769.77
Less: Non-operating expenses	447,045.17	1,548.71
III. Total profit (Total loss listed with “-”)	320,763,652.77	147,817,926.42
Less: Income tax expenses	-6,907,535.24	4,075,661.00
IV. Net profit (Net loss listed with “-”)	327,671,188.01	143,742,265.42
(I) Continuous operating net profit (Net loss listed with “-”)	327,671,188.01	143,742,265.42
(II) Termination of net profit (Net loss listed with “-”)		
V. Net other comprehensive income after tax		
(I) Other comprehensive income that cannot be reclassified to profit or loss		
1. Changes of re-measurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
3. Changes in fair value of other investment in equity instruments		
4. Changes in fair value of the enterprise’s own credit risks		

Item	First quarter of 2021	First quarter of 2020
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for the credit impairment of other debt investments		
5. Reserves for cash flows hedges		
6. Differences on translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	<u>327,671,188.01</u>	<u>143,742,265.42</u>
VII. Earnings per share:		
(I) Basic earnings per share (<i>Yuan/share</i>)		
(II) Diluted earnings per share (<i>Yuan/share</i>)		
<i>Legal Representative:</i> Li Xiaoyu	<i>Chief Financial Officer:</i> Su Ye	<i>Accounting Manager:</i> Yao Weidong

Consolidated Cash Flow Statement

January to March 2021

Prepared by: First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	1,731,864,717.47	1,581,980,675.38
Net increase in deposits from customers and deposits from other banks	-314,551,091.80	-174,591,966.05
Net increase borrowings from central bank		
Net increase in loans from other financial institutions	-300,000,000.00	
Cash from original insurance contract premium		
Net cash from reinsurance business		
Net increase of insured deposit and investment		
Interest, handling charges and commissions received	24,676,323.43	23,884,807.39
Net increase in placement from banks and other financial institution		
Net increase in sales and repurchase operations	610,000,000.00	30,000,000.00
Net cash flows from brokerage trading		
Refund of tax and levies	75,676,123.13	19,986,971.09
Cash received relating to other operating activities	23,390,366.40	7,145,133.26
Sub-total of cash inflows from operating activities	1,851,056,438.63	1,488,405,621.07
Cash payments for goods purchased and services received	1,390,000,161.00	1,306,834,037.25
Net increase in loans and disbursement to customers	-42,843,417.57	-39,993,062.37
Net increase in deposits with central bank and inter-banks	-12,582,797.41	-13,881,462.52
Payments of claims for original insurance contracts		
Net increase in placements with banks and other financial institution		
Interest, handling charges and commissions paid	2,842,237.48	1,845,009.18
Cash paid for dividends of insurance policies		
Cash paid to and on behalf of employees	219,100,497.85	193,860,092.32
Payments of taxes and surcharges	30,247,692.75	36,160,755.04
Cash paid relating to other operating activities	70,291,593.38	79,892,649.15
Sub-total of cash outflows from operating activities	1,657,055,967.48	1,564,718,018.05
Net cash flows from operating activities	194,000,471.15	-76,312,396.98

Item	First quarter of 2021	First quarter of 2020
II. Cash flows from investment activities:		
Cash received from return of investments	2,383,696.57	180,000,000.00
Cash received from investments income	2,242,132.45	5,028,348.86
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	3,051,101.20	529,600.00
Net cash received from disposals of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	7,676,930.22	185,557,948.86
Cash paid to acquire fixed assets, intangible assets and other long-term assets	42,900,662.77	3,256,468.88
Cash paid for investments	420,001,000.00	100,000,000.00
Net increase in pledged deposits		
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities		235,907.24
Sub-total of cash outflows from investing activities	462,901,662.77	103,492,376.12
Net cash flows from investing activities	-455,224,732.55	82,065,572.74
III. Cash flows from financing activities:		
Cash received from investment absorption	697,999,997.00	
Including: Cash received by subsidiaries from investment absorption of minority interest		
Cash received from borrowings	30,000,000.00	510,000,000.00
Cash received relating to other financing activities		11,919.11
Sub-total of cash inflows from financing activities	727,999,997.00	510,011,919.11

Item	First quarter of 2021	First quarter of 2020
Cash paid for settlement of borrowings	380,100,000.00	730,100,000.00
Cash paid for dividends, profits appropriation or payments of interest	6,076,383.09	19,740,506.09
Including: Dividends and profits paid to minority interests of subsidiaries		
Cash paid relating to other financing activities	4,545,153.80	2,062,266.58
Sub-total of cash outflows from financing activities	390,721,536.89	751,902,772.67
Net cash flows from financing activities	337,278,460.11	-241,890,853.56
IV. Effect of changes in foreign exchange rate on cash and cash equivalents	-5,091,161.52	-5,217,580.38
V. Net increase in cash and cash equivalents	70,963,037.19	-241,355,258.18
Add: Cash and cash equivalents at the beginning of the reporting period	1,416,825,910.58	1,120,120,449.63
VI. Cash and cash equivalents at the end of the reporting period	1,487,788,947.77	878,765,191.45

Legal Representative:
Li Xiaoyu

Chief Financial Officer:
Su Ye

Accounting Manager:
Yao Weidong

Cash Flow Statement of the Parent Company

January to March 2021

Prepared by: First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	1,438,136,739.92	994,799,507.70
Refund of tax and levies	69,355,326.81	16,582,790.90
Cash received relating to other operating activities	22,293,439.85	75,854,009.04
Sub-total of cash inflows from operating activities	1,529,785,506.58	1,087,236,307.64
Cash payments for goods purchased and services received	1,233,338,348.29	1,013,709,320.27
Cash paid to and on behalf of employees	122,356,895.40	111,288,322.38
Payments of taxes and surcharges	5,966,510.66	5,327,441.70
Cash paid relating to other operating activities	20,263,210.89	11,851,752.46
Sub-total of cash outflows from operating activities	1,381,924,965.24	1,142,176,836.81
Net cash flows from operating activities	147,860,541.34	-54,940,529.17

Item	First quarter of 2021	First quarter of 2020
II. Cash flows from investment activities:		
Cash received from return of investments	100,029,133.00	280,000,000.00
Cash received from investments income	7,354,242.49	5,834,748.84
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,468,050.00	524,600.00
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	108,851,425.49	286,359,348.84
	<hr/>	<hr/>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	38,220,308.61	1,003,034.29
Cash paid for investments	500,000,000.00	100,000,000.00
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities		
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	538,220,308.61	101,003,034.29
	<hr/>	<hr/>
Net cash flows from investing activities	-429,368,883.12	185,356,314.55
	<hr/> <hr/>	<hr/> <hr/>

Item	First quarter of 2021	First quarter of 2020
III. Cash flows from financing activities:		
Cash received from investment absorption	697,999,997.00	
Cash received from borrowings	90,000,000.00	510,000,000.00
Cash received relating to other financing activities		11,919.11
	<hr/>	<hr/>
Sub-total of cash inflows from financing activities	787,999,997.00	510,011,919.11
	<hr/>	<hr/>
Cash paid for settlement of borrowings	540,100,000.00	780,100,000.00
Cash paid for dividends, profits appropriation or payments of interest	16,020,190.82	33,745,528.06
Cash paid relating to other financing activities	2,874,016.65	1,308,891.90
	<hr/>	<hr/>
Sub-total of cash outflows from financing activities	558,994,207.47	815,154,419.96
	<hr/>	<hr/>
Net cash flows from financing activities	229,005,789.53	-305,142,500.85
	<hr/> <hr/>	<hr/> <hr/>
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		181.53
	<hr/>	<hr/>
V. Net increase in cash and cash equivalents	-52,502,552.25	-174,726,533.94
Add: Cash and cash equivalents at the beginning of the reporting period	1,109,957,835.17	1,094,673,290.86
	<hr/>	<hr/>
VI. Cash and cash equivalents at the end of the reporting period	1,057,455,282.92	919,946,756.92
	<hr/> <hr/>	<hr/> <hr/>

Legal Representative:
Li Xiaoyu

Chief Financial Officer:
Su Ye

Accounting Manager:
Yao Weidong