Stock Code: 600699 **Stock Abbreviation: Joyson Electronics**

Ningbo Joyson Electronic Corp.
Quarterly Report Ended March 31, 2021

April 2021

1. Important Notification

1.1 The Board of Directors and Directors, the Board of Supervisors and Supervisors, senior officers of the Company assure that the content of the Report is authentic, accurate and complete, without any false record, misleading statement or material omission, and bear the sole and joint liability for the authenticity, accuracy and completeness of the content.

1.2 There is Director who was absent at the Board of Directors meeting for reviewing the quarterly report.

1.3 Wang Jianfeng, the person in charge of the company, Li Junyu, the person in charge of accounting function and Zhang Yu, the person in charge of accounting department (accountant in charge) ensure the authenticity and completeness of the financial statements in the quarterly report.

1.4 The first quarterly report of the company is unaudited.

2. Financials and Shareholder Changes

			(%)
	55,391,197,311.57	56,265,148,450.97	-1.55
	15,303,125,304.91	15,168,987,919.59	0.88
			(%)
	346,922,417.35	553,506,836.62	-37.32
			%
	12,287,069,490.81	12,217,264,385.24	0.57
	221,492,672.32	59,435,370.36	272.66
	240,863,384.65	276,592,012.64	-12.92

2021 14%
77% 123
200

64.5%

The global automotive industry has gradually recovered in 2021. By the end of the first quarter, the global light vehicle production had increased by 14%, while the domestic light vehicle production increased by 77% compared with the same period last year. The Company achieved total revenue of RMB 12.3 billion in the first quarter, an increase over the same period last year. During the reporting period, the Company received new orders exceeding RMB 20 billion (whole life cycle). In addition, the Company took effective measures to address the impact of the global chip shortage, and steadily promoted the completion of Joyson Safety business unit global integration. Therefore, the net profit attributable to shareholders of the listed company, earnings per share and return on net assets were higher than the same period last year. During the reporting period, the Company continued to collect outstanding sales, which significantly increased the net cash flow from operating activities. By repaying the interest-bearing liabilities, the Company's liability/asset ratio was further reduced to 64.5%.

123 2021 7.5%

Revenue: In the context of the global chip shortage and the impact of the pandemic on some overseas factories, the current operating revenue was approximately RMB 12.3 billion. Excluding the impact of JOYSONQUIN's business out of the consolidation scope in 2021, the operating revenue for the current period increased by 7.5% year-on-year.

Net profits attributable to shareholders of the listed company: During the reporting period, as the Company's business integration effect has gradually emerged, the net profit attributable to shareholders of the listed company has increased significantly.

Net cash flow generated from operating activities: The main reason for the decrease in net cash flow from operating activities is that in the context of fluctuations in the global supply chain, the Company has reserved part of its inventory in advance to ensure the delivery of orders to OEMs on time, resulting in a year-on-year increase in operating cash outflow.

8.7
14.1 5.4

Total assets: The total assets decreased slightly by about RMB 870 million, mainly due to the repayment of some interest-bearing liabilities, resulting in a reduction of about RMB 1.41 billion in current assets. Meanwhile, due to the influence of the new leasing standards, lease-related

ownership assets have been recognized, so the amount of non-current assets increased by about RMB 540 million.

Net assets attributable to shareholders of the listed company: The increase in net assets attributable to shareholders of the listed company is mainly due to the increase in net profit.

Earnings per share: The increase in earnings per share is mainly due to the increase in net profit.

Return on net assets: The increase in return on net assets is mainly due to the increase in net profit.

The Company expects that with the recovery of the economy, the introduction of new energy-related supportive policies is expected to offset the impact of the shortage of automotive chips and achieve steady growth in the overall business.

	-303,666.36	
	14,312,230.93	
	1,823,346.45	
	-55,182,046.65	
	20,288,340.13	
	1,554,083.36	
	-10,612,021.53	
	17,767,994.74	
	-9,018,973.40	
	-19,370,712.33	

Items and amounts of extraordinary gains and losses

Unit: Yuan Currency: RMB

Item	Amount for the current period	Explanation
Gains and losses from disposal of non-current assets	-303,666.36	
Government grants recognized through profit or loss (excluding those having close relationships joyed in fixed amount or quantity according to uniform national standard)	14,312,230.93	
Profits and losses from entrusting others to invest or managing assets	1,823,346.45	
Various provisions for impairment of assets due to force majeure like natural disasters		
Debt restructuring		
Group restructuring charges, including staff arrangement expenses and integration costs	-55,182,046.65	
Changes in fair value of financial assets and liabilities held for trading, derivative financial assets and liabilities, and disposal of financial assets and liabilities held for trading and other debt investments, other than those held for effective hedging related to normal operations	20,288,340.13	
Non-business income and expenditure except for said items	1,554,083.36	
Other items qualified as extraordinary gain and loss	-10,612,021.53	

1	40,031,403	2.93	40,031,403		0	
	32,876,959	2.40	0		30,500,000	
	31,467,463	2.30	0		31,467,463	

	7,715,580		7,715,580

Particulars about total number of stockholders, shares held by top 10 shareholders and tradable shares (or unrestricted shares) held by top 10 shareholders as of the end of the reporting period

Unit: Share

Total number 1 0 1 73 984 arehBT/F3 10.56 Tf0 595.32 8

Golden Eagle Fund - SPD Bank - Wanxiang Trust - Wanxiang Trust - Joyson No. 2 Business Management Class Single Fund Trust	28,072,245	2.05	0	N/A	0	Others
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	27,838,907	2.03	27,838,827	N/A	0	Overseas legal person
China Life Asset Management - Bank of China - China Life Asset - PIPE2020 Insurance Asset Management Product	16,745,159	1.22	16,745,159	N/A	0	Others
CMBC - Harvest Power Pioneer Hybrid Securities Investment Fund	10,727,939	0.78	0	N/A	0	Others
ICBC - Harvest Industry Pioneer Hybrid Securities Investment Fund	10,176,079	0.74	3,139,717	N/A	0	Others

Particulars about unrestricted shares held by top 10 shareholders			
Name of shareholders	Number of unrestricted tradable shares	Share type and number	
		Type	Number
Joyson Holding Co., Ltd.	476,840,782	RMB common shares	476,840,782

Hong Kong Securities Clearing Co., Ltd.	98,250,658	RMB common shares	98,250,658
Wang Jianfeng	32,876,959	RMB common shares	32,876,959
Zhejiang Zheshang Industrial Integration Capital Management Co., Ltd.	31,467,463	RMB common shares	31,467,463
Golden Eagle Fund - SPD Bank - Wanxiang Trust - Wanxiang Trust - Joyson No. 2 Business Management Class Single Fund Trust	28,072,245	RMB common shares	28,072,245
CMBC - Harvest Power Pioneer Hybrid Securities Investment Fund	10,727,939		

3. Key Items

Explanation on the significant changes in the items of financial statements and financial indicators

	554,303,342.44	570,195,584.93	-2.79
	110,365,514.81	302,704,402.49	-63.54

(2) Items of income statement

Item	Amount for the current period	Amount in prior period	Flux (%)
Revenue	12,287,069,490.81	12,217,264,385.24	0.57
Operating costs	10,390,428,646.85	10,091,464,154.37	2.96
Selling expenses	204,208,247.90	330,942,101.85	-38.29
Administrative expenses	734,479,240.34	816,960,883.15	-10.10
R&D expenses	554,303,342.44	570,195,584.93	-2.79
Financial expenses	110,365,514.81	302,704,402.49	-63.54

Other explanations:

123 2021 7.5%

Revenue: In the context of the global chip shortage and the impact of the pandemic on some overseas factories, the current operating revenue was approximately RMB 12.3 billion. Excluding the impact of JOYSONQUIN's business out of consolidation scope in 2021, the operating revenue for the current period increased by 7.5% year-on-year.

Operating costs: The increase in operating costs was mainly due to the adjustment of some raw materials arising from fluctuating prices in the global sup0.56 m0 GF3 10.56 Tf1 0 0 1 472.42 452.11 Tm

Financial expenses: Mainly due to the repayment of some interest-bearing liabilities in the current period, resulting in the decrease in interest expenses. At the same time, the exchange rates of major currencies fluctuated greatly, resulting in exchange gains.

3

	346,922,417.35	553,506,836.62	-37.32
	-303,292,821.72	-1,014,802,228.46	-70.11
	-1,338,308,381.31	-209,108,978.38	540.01

(3) Items of cash flow

Item	Amount for the current period	Amount in prior period	Flux (%)
Net cash flow from operating activities	346,922,417.35	553,506,836.62	-37.32
Net cash flow from investment activities	-303,292,821.72	-1,014,802,228.46	-70.11
Net cash flow from financing activities	-1,338,308,381.31	-209,108,978.38	540.01

Other explanations:

Net cash flow ge

2020

2021

Since the emergence of chip shortages in the automotive industry at the end of 2020, the global automotive market is facing the challenges of supply shortages and rising chip prices, and some raw material supply chains have experienced significant fluctuations. Some parts suppliers and vehicle manufacturers believe that the above situation will continue to have an impact in the short term and may be mitigated from the second half of 2021 at the earliest. The Company always pays close attention to the development of above-mentioned matters, and has carried out various inventory reserves and dynamic adjustments in advance. With many years of cooperation relationships and channel advantages with several mid-to-high end mainstream vehicle brands, the Company has certain advantages in the stability of the supply chain of some chip-related products. Therefore, it will not become a supplier and technology provider that constrains customers from new products while bringing high-quality products and services to vehicle customers.

Overdue outstanding commitments during the reporting period

Applicable

Warning and explanation on the forecast that, from the beginning of the reporting period to the end of the next reporting period, the accumulated net profit may be a loss or suffer a significant change compared with the same period of the previous year

ot applicable

2020

2021

Since the third quarter of 2020, the global automotive -pandemic" era. With the pandemic under control, major global automotive markets, especially the domestic market, have ushered in a comprehensive recovery period. However, pandemic will still occur in some areas, which may adversely affect the Company's global order acquisition and product delivery. In addition, there is still great uncertainty about the shortage of chips in the industry, and the tight relationship between supply and demand in the market is likely to continue into the

second half of the year. These risks may bring some uncertainty to the Company's performance in the first half of 2021.

	2021 4 27

Company name	Ningbo Joyson Electronic Corp.
Legal representative	Wang Jianfeng
Date	April 27, 2021

Ningbo Joyson Electronic Corp.

Consolidated balance sheet

As at 31 March 2021

(Expressed in Renminbi Yuan)

Item	2021/3/31	2020/12/31
Current assets		
Cash at bank and on hand	7,594,981,825.84	8,650,017,094.00
Financial assets held for trading	188,289,866.15	1,297,861,722.04
Derivative financial assets	21,233,314.13	13,260,313.92
Bills receivable	325,900,738.79	570,610,607.96
Accounts receivable	7,310,882,716.22	6,829,704,233.23
Receivables under financing	80,367,481.69	89,843,310.86
Prepayments	262,979,200.67	269,745,157.70
Other receivables	1,225,606,702.25	1,131,628,011.93
Including: Interest receivable		
Dividend receivable	339,139,986.83	339,139,986.83
Inventories	6,639,579,668.86	6,330,342,922.39
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	1,116,137,501.36	996,410,378.45
Total current assets	24,765,959,015.96	26,179,423,752.48
Non-current assets		
Long-term receivables	6,250,508.03	5,780,518.92
Long-term equity investments	1,888,331,747.66	1,862,484,714.63
Other non-current financial assets	729,715,206.24	707,217,672.27
Fixed assets	11,045,615,750.40	11,464,294,904.21
Construction in progress	2,124,580,309.89	2,052,936,839.16
Right-of-use assets	786,553,899.77	
Intangible assets	3,718,964,837.37	3,867,366,846.58
Development costs	727,491,197.57	591,505,163.32
Goodwill	7,272,692,259.85	7,262,592,866.10
Long-term deferred expenses	47,652,426.86	50,032,118.78
Deferred tax assets	1,731,671,149.81	1,685,723,321.22
Other non-current assets	545,719,002.16	535,789,733.30
Total Non-current assets	30,625,238,295.61	30,085,724,698.49
Total assets	55,391,197,311.57	56,265,148,450.97
Current liabilities		
Short-term loans	4,438,322,258.42	4,612,811,197.54

Financial liabilities held for trading		
Derivative financial liabilities	72,841,217.03	87,237,851.18
Bills payable	78,177,890.27	20,557,622.33
Accounts payable	7,891,425,838.98	8,029,709,245.80
Advance payments received		
Contract liabilities	486,911,865.49	457,690,285.43
Employee benefits payable	1,156,864,320.09	1,135,548,296.30
Taxes payable	591,151,464.21	634,009,455.56
Other payables	312,912,739.17	264,124,424.73
Including: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	2,831,137,054.66	3,718,673,209.28
Other current liabilities	1,287,256,731.60	1,563,612,148.48
Total current liabilities	19,147,001,379.92	20,523,973,736.63
Non-current liabilities		
Long-term loans	11,849,159,420.30	11,865,788,435.74
Debentures payable	500,983,606.57	523,606,557.38
Lease liabilities	654,224,900.57	
Long-term payables	26,311,136.35	55,433,950.07
Long-term employee benefits payable	1,791,528,194.14	1,913,618,546.97
Provisions	471,202,344.03	631,418,257.30
Deferred income	82,113,261.93	81,956,157.85
Deferred tax liabilities	945,810,228.25	918,662,327.99
Other non-current liabilities	285,388,175.31	282,163,469.54
Total Non-current liabilities	16,606,721,267.45	16,272,647,702.84
Total liabilities	35,753,722,647.37	36,796,621,439.47
Shareholders' equity		
Share capital	1,368,084,624.00	1,368,084,624.00
Capital reserve	9,996,382,413.24	9,996,382,413.24
Less: Treasury shares	225,263,700.64	225,263,700.64
Other comprehensive income	-672,417,648.40	-585,062,361.40
Surplus reserve	134,466,504.37	134,466,504.37
Retained earnings	4,701,873,112.34	4,480,380,440.02
Total equity attributable to shareholders of the	15,303,125,304.91	15,168,987,919.59
Non-controlling interests	4,334,349,359.29	4,299,539,091.91
Total shareholders' equity	19,637,474,664.20	19,468,527,011.50
Total liabilities and shareholders' equity	55,391,197,311.57	56,265,148,450.97

Wang Jianfeng	Li Junyu	Zhang Yu
Legal representative	The person in charge of accounting affairs	The head of the accounting department

Ningbo Joyson Electronic Corp.

Company balance sheet

As at 31 March 2021

(Expressed in Renminbi Yuan)

Item	2021/3/31	2020/12/31
Current assets		
Cash at bank and on hand	3,694,581,702.05	4,351,940,458.54
Financial assets held for trading	123,093,508.90	652,858,441.34
Accounts receivable	480,755,428.60	448,762,901.69
Prepayments	6,926,959.81	7,232,862.59
Other receivables	1,596,776,604.88	1,418,886,448.92
Including: Interest receivable	83,864,847.65	83,272,677.31
Dividend receivable	282,690,686.36	282,690,686.36
Other current assets	46,626,797.84	19,093,104.88
Total current assets	5,948,761,002.08	6,898,774,217.96
Non-current assets		
Long-term receivables		
Long-term equity investments	12,792,283,765.23	12,765,500,766.23
Other non-current financial assets	554,048,221.94	554,048,221.94
Fixed assets	694,220,518.84	699,168,322.97
Construction in progress	4,195,976.00	
Intangible assets	203,505,108.75	204,597,823.53
Long-term deferred expenses		15,191.01
Deferred tax assets	10,080.74	10,080.74
Other non-current assets		
Total Non-current assets	14,248,263,671.50	14,223,340,406.42
Total assets	20,197,024,673.58	21,122,114,624.38
Current liabilities		
Short-term loans	3,461,693,586.97	3,584,366,532.18
Accounts payable	6,628,073.91	8,003,377.32
Advance payments		718,893.99
Employee benefits payable	2,113,835.80	2,343,835.80
Taxes payable	73,003,729.93	71,738,287.78
Other payables	11,849,332.32	11,778,383.90
Including: Interest payable		
Dividend payable		
Non-current liabilities due within one year	740,454,885.00	1,751,846,354.80
Other current liabilities		

Non-current liabilities		
Long-term loans	1,889,563,065.95	1,683,065,011.16
Debentures payable	500,983,606.57	523,606,557.38
Total Non-current liabilities	40,322.97	40,322.97
Total liabilities	2,390,586,995.49	2,206,711,891.51
Non-current liabilities	6,686,330,439.42	7,637,507,557.28
Shareholders' equity		
Share capital	1,368,084,624.00	1,368,084,624.00
Capital reserve	11,769,229,050.29	11,769,229,050.29
Less: Treasury shares	225,263,700.64	225,263,700.64

Ningbo Joyson Electronic Corp.

Consolidated income statement

For the first quarter of 2021

(Expressed in Renminbi Yuan)

Item	2021Q1	2020Q1
I. Total operating income	12,287,069,490.81	12,217,264,385.24
Including: Operating income	12,287,069,490.81	12,217,264,385.24
II. Total operating costs	12,027,883,041.52	12,149,272,102.93
Including: Operating costs	10,390,428,646.85	10,091,464,154.37
Taxes and surcharges	34,098,049.18	37,004,976.14
Selling and distribution expenses	204,208,247.90	330,942,101.85
General and administrative expenses	734,479,240.34	816,960,883.15
Research and development expenses	554,303,342.44	570,195,584.93
Financial expenses	110,365,514.81	302,704,402.49
Including: Interest expenses	276,885,691.97	281,943,910.49
Interest income	60,173,273.19	26,055,647.90
Add: Other income	14,312,230.93	25,032,693.00
Investment income (“-” for losses)	32,729,027.07	2,130,964.19

VI. Other comprehensive income, net of tax	-119,813,057.77	-229,529,209.76
(1) Other comprehensive income (net of tax)	-87,355,287.00	-151,832,990.53

Ningbo Joyson Electronic Corp.

Company income statement

For the first quarter of 2021

(Expressed in Renminbi Yuan)

Item	2021Q1	2020Q1
I. Operating income	73,248,896.93	50,105,085.51
Less: Operating costs		
Taxes and surcharges	2,136,034.02	1,565,128.36

(2) Items that may be reclassified to profit or loss		
1. Other comprehensive income recognised under equity method		
2. Changes in fair value of other debt investments		
3. Reclassification of financial assets		
4. Credit losses of debt investments		
5. Cash flow hedge reserve		
6. Translation differences arising from translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	26,087,167.06	-21,226,917.55

Wang Jianfeng	Li Junyu	Zhang Yu
Legal representative	The person in charge of accounting affairs	The head of the accounting department

Ningbo Joyson Electronic Corp.

Consolidated cash flow statement

For the first quarter of 2021

(Expressed in Renminbi Yuan)

Item	2021Q1	2020Q1
I. Cash flows from operating activities		
Proceeds from sale of goods and rendering of services	14,123,604,098.35	14,313,686,306.40
Refund of taxes	125,959,121.73	219,493,135.84
Proceeds from other operating activities	218,087,702.10	219,084,137.06
Sub-total of cash inflows	14,467,650,922.18	14,752,263,579.30
Payment for goods and services	10,673,173,377.54	10,594,810,471.95
Payment to and for employees	2,461,286,211.35	2,550,696,603.15
Payment of various taxes	354,152,459.04	292,572,586.97
Payment for other operating activities	632,116,456.90	760,677,080.61
Sub-total of cash outflows	14,120,728,504.83	14,198,756,742.68
Net cash inflow from operating activities	346,922,417.35	553,506,836.62
II. Cash flows from investing activities		
Proceeds from disposal of investments		
Investment returns received	1,475,061.38	304,201,907.05
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	9,980,443.92	46,197,316.58
Proceeds from other investing activities	736,391,658.58	105,000,000.00
Sub-total of cash inflows	747,847,163.88	455,399,223.63
Payment for acquisition of fixed assets, intangible assets and other long-term assets	898,076,588.67	1,453,201,452.09
Payment for acquisition of investments	12,941,600.00	
Payment for other investing activities	140,121,796.93	17,000,000.00
Sub-total of cash outflows	1,051,139,985.60	1,470,201,452.09
Net cash outflow from investing activities	-303,292,821.72	-1,014,802,228.46
III. Cash flows from financing activities		
Proceeds from investors		
Including: Proceeds from non-controlling shareholders of subsidiaries		
Proceeds from borrowings	1,050,007,489.34	1,653,646,408.16
Proceeds from issuance of debentures		500,000,000.00
Proceeds from other financing activities	7,985,920.00	50,385,603.85
Sub-total of cash inflows	1,057,993,409.34	2,204,032,012.01
Repayment of borrowings	868,352,821.58	1,565,563,199.23
Payment for dividends, profit distributions or	285,983,205.45	347,577,791.16

interest		

Ningbo Joyson Electronic Corp.

Company cash flow statement

For the first quarter of 2021

(Expressed in Renminbi Yuan)

Item	2021Q1	2020Q1
I. Cash flows from operating activities		
Proceeds from sale of goods and rendering of services	47,839,368.05	25,812,474.32
Refund of taxes		
Proceeds from other operating activities	1,127,771,200.89	1,321,970,420.38
Sub-total of cash inflows	1,175,610,568.94	1,347,782,894.70
Payment for goods and services		
Payment to and for employees	12,824,907.17	13,672,991.02

or interest		
Payment for other financing activities	1,127,218,152.53	500,000,000.00
Sub-total of cash outflows	1,892,085,035.24	1,596,044,840.85
Net cash outflow from financing activities	-1,148,946,935.24	-135,044,840.85
IV. Effect of foreign exchange rate changes on cash	-1,586,895.83	-158,001.70
V. Net increase in cash and cash equivalents	-784,576,909.00	-19,941,155.53
Add: Cash and cash equivalents at the beginning of the year	4,096,002,596.04	611,445,817.78
VI. Cash and cash equivalents at the end of the year	3,311,425,687.04	591,504,662.25

Wang Jianfeng	Li Junyu	Zhang Yu
Legal representative	The person in charge of accounting affairs	The head of the accounting department