

Stock code: 300870 Stock abbreviation: Honor Electron Announcement No.: 2023-074

## **Shenzhen Honor Electronic Co., Ltd.**

### **2023 Third Quarter Report**

The company and all members of the board of directors guarantee that the information disclosed is true, accurate and complete, and there are no false records, misleading statements or major omissions.

#### **Important content reminder:**

1. The board of directors, the board of supervisors and the directors, supervisors and senior management ensure that the quarterly report is true, accurate and complete, and that there are no false records, misleading statements or major omissions, and bear individual and joint legal liabilities.

2. The person in charge of the company, the person in charge of accounting work and the person in charge of the accounting organization (accounting officer) declare that the financial information in the quarterly report is true, accurate and complete.

3. Has the third quarter report been audited?

■ whether

## I. Main financial data

### (1) Major accounting data and financial indicators

Whether the company needs to retrospectively adjust or restate the accounting data of previous years

■ whether

	This reporting period	This reporting period increased or decreased compared with the same period of the previous year	From the beginning of the year to the end of the reporting period	From the beginning of the year to the end of the reporting period, increase or decrease over the same period of the previous year
Operating income (yuan)	770,367,481.19	25.05%	2,065,690,640.54	4.46%
Net profit attributable to shareholders of listed companies (yuan)	34,563,148.27	-2.77%	42,914,784.15	5.07%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (yuan)	29,018,800.39	-5.74%	60,526,065.68	123.36%
Net cash flow from operating activities (yuan)	--	--	308,428,342.72	312.01%
Basic earnings per share (yuan/share)	0.34	-2.86%	0.42	2.44%
Diluted earnings per share (yuan/share)	0.34	-2.86%	0.42	2.44%
Weighted average return on equity	2.05%	-0.20%	2.59%	0.03%
	At the end of the reporting period	End of last year	Increase or decrease at the end of the reporting period compared to the end of the previous year	
Total assets (yuan)	3,713,300,991.09	3,338,609,904.93	11.22%	
Owner's equity attributable to shareholders of listed companies (yuan)	1,703,153,993.32	1,627,266,445.12	4.66%	

### (2) Items and amounts of non-recurring gains and losses

Applicable ■ Not applicable

Unit: Yuan

Projects	Amount for the reporting period	Amount from the beginning of the year to the end of the reporting period	Description
Non-current asset disposal gains and losses (including the write-off portion of the provision for asset impairment)	-131,329.54	-369,027.88	

Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the company's normal business operations, comply with national policies and regulations, and are continuously enjoyed according to a certain standard fixed or quantitative basis)	5,997,368.88	9,979,038.10	Mainly government subsidy income.
The investment cost of the enterprise to obtain subsidiaries, associates and joint ventures is less than the income from the fair value of the investee's identifiable net assets when the investment is obtained	-22,017.46	-56,266.22	
Profit and loss of entrusting others to invest or manage assets	1,516,536.99	2,088,272.39	It is the income from wealth management products actually received in the current period.
In addition to the effective hedging business related to the company's normal business operations, the fair value gains and losses arising from holding transactional financial assets and transactional financial liabilities, as well as the investment income obtained from the disposal of transactional financial assets, transactional financial liabilities and available-for-sale financial assets	-757,324.94	20,192.87	
Other non-operating revenue and expenditure other than the above-mentioned items	388,113.64	455,198.48	
Other profit and loss items that meet the definition of non-recurring profit and loss	0.00	-28,206,484.56	It is the part of the termination of the equity incentive plan that is included in the current expenses at one time.
Less: Income tax impact amount	1,446,999.69	1,522,204.71	
Total	5,544,347.88	-17,611,281.53	--

Details of other profit and loss items that meet the definition of non-recurring profit and loss:

Applicable  Not applicable

It is the part of the termination of the equity incentive plan that is included in the current expenses at one time.

Explanation of the situation of defining the non-recurring profit and loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public-Non-recurring Profit and Loss" as recurring profit and loss items

Applicable Not Applicable

There is no situation in which the company defines the non-recurring profit and loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profit and Loss" as recurring profit and loss items.

### (3) Changes in major accounting data and financial indicators and reasons

Applicable  Not applicable

Unit: Yuan

Balance Sheet Items	September 30, 2023	January 1, 2023	Range of change	Reason for change
Receivables Financing	62,214,935.94	23,656,994.70	162.99%	This was due to the increase in bills receivable received during the current period.
Advance payment	4,116,863.61	2,626,013.78	56.77%	Mainly due to the increase in the purchase payment in advance during the current period.
Construction in progress	191,462,108.04	138,969,427.72	37.77%	Mainly due to the increase in investment in construction in progress during the current period.
Right-of-use asset	78,820,202.70	53,942,722.05	46.12%	Mainly due to the increase in housing leases in the current period.
Deferred Tax Assets	29,703,327.09	21,899,130.20	35.64%	Mainly due to the application of new accounting policies.
Other non-current assets	1,074,211.20	1,726,164.92	-37.77%	Mainly due to the acceptance of the equipment prepaid in the previous year during the current period.
Notes payable	436,461,013.23	291,492,369.24	49.73%	Mainly due to the increase in bank acceptance bills paid to suppliers in the current period.
Contract liabilities	1,580,725.21	1,186,317.12	33.25%	Mainly due to the increase in advance receipts in the current period.
Other payables	21,157,336.49	42,520,730.15	-50.24%	Mainly due to the repurchase of restricted stock in the current period.

Non-current liabilities due within one year	52,504,713.88	97,582,589.98	-46.19%	Mainly due to the repayment of the principal due within one year of the long-term loan in the current period.
Other current liabilities	22,257,124.29	33,942,793.74	-34.43%	Mainly due to the decrease in the number of bills that have been endorsed and transferred but not derecognized at the end of the period.
Lease liabilities	59,875,825.10	33,035,866.33	81.24%	Mainly due to the increase in housing leases in the current period.
Deferred income	8,933,231.10	6,122,057.05	45.92%	Mainly due to the increase in government subsidies related to assets in the current period.
Deferred Tax Liabilities	18,569,487.88	11,342,484.42	63.72%	Mainly due to the application of new accounting policies.
Income statement items	Amount in the current period	Amount in the previous period	Range of change	Reason for change
Finance expense	-3,732,918.83	-45,448,882.91	-91.79%	Mainly due to the decrease in foreign exchange gains during the current period compared with the same period of the previous year.
Investment income (losses are listed with "-")	2,032,006.17	3,526,250.76	-42.37%	Mainly due to the decrease in income from wealth management products received in the current period compared with the same period of the previous year.
Credit impairment loss (losses are listed with "-")	-6,310,114.34	1,593,543.84	495.98%	Mainly due to the increase in the balance of accounts receivable in the current period.
Asset impairment loss (losses are listed with "-")	-10,058,912.85	-4,052,624.40	148.21%	It was due to the increase in the balance of inventory depreciation reserves at the end of the period.
Cash Flow Statement Items	Amount in the current period	Amount in the previous period	Range of change	Reason for change
Net cash flow from operating activities	308,428,342.72	74,858,918.00	312.01%	Mainly due to the decrease in the amount paid for the purchase of goods in the current period.
Net cash flows from investing activities	-191,085,710.08	-519,295,189.70	63.20%	Mainly due to the decrease in the amount paid for the purchase of fixed assets in the current period.
Net cash flow from financing activities	-62,346,283.84	98,133,678.24	-163.53%	Mainly due to the decrease in bank borrowings during the current period.

## II. Shareholder Information

### (1) The total number of ordinary shareholders and the number of preferred shareholders whose voting rights have been restored and the shareholding status of the top ten shareholders

Unit: share

Total number of common shareholders at the end of the reporting period	9,848	The total number of preferred shareholders with voting rights restored at the end of the reporting period (if any)	0			
Shareholding of the top 10 shareholders						
Name of shareholder	Nature of Shareholders	Shareholding ratio	Number of shares held	Number of shares subject to sales restrictions	Pledge, mark or freeze	
					Share status	Quantity
Shenzhen Wangyuewang Investment Partnership (Limited Partnership)	Domestic non-state-owned legal person	28.73%	29,234,023			
Shenzhen Genoli Information Consulting Co., Ltd	Domestic non-state-owned legal person	28.73%	29,234,023			
Shenzhen Tongju Information Technology Consulting Partnership (Limited Partnership)	Domestic non-state-owned legal person	3.57%	3,635,231			
China Life Insurance Co., Ltd.-own funds	other	1.85%	1,879,155			
Industrial and Commercial Bank Of China Ltd. - China-Europe Value Smart Return Hybrid Securities Investment Fund	other	1.73%	1,755,472			
Tibet Tongchuang Weiye Venture Capital Co., Ltd	Domestic non-state-owned legal person	1.65%	1,676,600			

Wells Fargo Fund-China Life Insurance Company Limited-Traditional Insurance-Wells Fargo Fund China Life Shares Growth Stock Traditional Available-for-sale Single Asset Management Plan	other	1.16%	1,178,743			
Wells Fargo Fund-China Life Insurance Co., Ltd.-Participating Insurance-Wells Fargo Fund China Life Shares Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	other	1.10%	1,116,355			
Hong Kong Securities Clearing Company Limited	Foreign legal person	1.01%	1,027,434			
Yang Ji	Domestic natural persons	0.97%	989,497			
Shareholding of the top 10 shareholders with unrestricted sales conditions						
Name of shareholder	Number of unrestricted shares held	Type and number of shares		Type of shares	Quantity	
		Type of shares	Quantity			
Shenzhen Wangyuewang Investment Partnership (Limited Partnership)	29,234,023	RMB ordinary shares	29,234,023			
Shenzhen Genoli Information Consulting Co., Ltd	29,234,023	RMB ordinary shares	29,234,023			
Shenzhen Tongju Information Technology Consulting Partnership (Limited Partnership)	3,635,231	RMB ordinary shares	3,635,231			
China Life Insurance Co., Ltd.-own funds	1,879,155	RMB ordinary shares	1,879,155			
Industrial and Commercial Bank Of China Ltd. - China-Europe Value Smart Return Hybrid Securities Investment Fund	1,755,472	RMB ordinary shares	1,755,472			
Tibet Tongchuang Weiye Venture Capital Co., Ltd	1,676,600	RMB ordinary shares	1,676,600			
Wells Fargo Fund-China Life Insurance Company Limited-Traditional Insurance-Wells Fargo Fund China Life Shares Growth Stock Traditional Available-for-sale Single Asset Management Plan	1,178,743	RMB ordinary shares	1,178,743			

Wells Fargo Fund-China Life Insurance Co., Ltd. -Participating Insurance-Wells Fargo Fund China Life Shares Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	1,116,355	RMB ordinary shares	1,116,355
Hong Kong Securities Clearing Company Limited	1,027,434	RMB ordinary shares	1,027,434
Yang Ji	989,497	RMB ordinary shares	989,497
Description of the above-mentioned shareholders' connected relationship or concerted action	The actual controllers of the company are Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei, and they act in concert. Among them, Wang Heqiu and Wang Yulin control 28.73% of the company's shares through Shenzhen Genoli Information Consulting Co., Ltd., Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei control 28.73% of the company's shares through Shenzhen Wangyuewang Investment Partnership (Limited Partnership), and Wang Heqiu is the executive partner and actual controller of Shenzhen Tongju Information Technology Consulting Partnership (Limited Partnership). In addition, the company does not know whether there is an associated relationship among the above-mentioned other shareholders, nor whether they are persons acting in concert as stipulated in the Administrative Measures for the Disclosure of Information Disclosure of Changes in Shareholding of Listed Companies.		
Description of the top 10 shareholders participating in the margin financing and securities lending business (if any)	No		

Note: There is a special note for the repurchase account among the top 10 shareholders: the company repurchased 1,655,300 shares through a centralized auction transaction through the repurchase special securities account, accounting for 1.63% of the company's current total share capital

## (2) The total number of preferred shareholders of the company and the shareholding status of the top 10 preferred shareholders

■ Applicable Not Applicable

## (3) Changes in restricted shares

Applicable ■ Not applicable

Unit: share

Name of shareholder	Number of restricted shares at the beginning of the period	The number of shares lifted in the current period	Increase the number of restricted shares in the current period	Number of restricted shares at the end of the period	Reason for restriction	Proposed date of lifting of sales restriction
Shenzhen Wangyuewang Investment Partnership (Limited Partnership)	29,234,023	29,234,023	0	0		
Shenzhen Genoli Information Consulting Co., Ltd	29,234,023	29,234,023	0	0		

Shenzhen Tongju Information Technology Consulting Partnership (Limited Partnership)	3,635,231	3,635,231	0	0		
Other shareholders with restricted shares	570,000	18,000	0	552,000	Equity incentive restricted shares	Due to the termination of the restricted stock incentive plan by the company, the above-mentioned restricted stock repurchase and cancellation matters are still under processing as of the end of the reporting period.
Total	62,673,277	62,121,277	0	552,000	--	--

Note: The company has completed the repurchase and cancellation procedures of the above-mentioned restricted shares at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on October 17, 2023. After the completion of this repurchase and cancellation, the company's total share capital was changed from 101,752,000 shares to 101,200,000 shares. For details, please refer to the "Announcement on Completion of Repurchase and Cancellation of Certain Restricted Shares" (Announcement No.: 2023-073) disclosed by the company on October 18, 2023.

### III. Other important matters

Applicable  Not applicable

1. The company held the second meeting of the third board of directors in 2023 on September 28, 2023, and reviewed and approved the "Proposal on Transfer of 60% Equity Interests in Wholly Owned Subsidiaries and Abandonment of Priority Subscription and Capital Contribution Rights and Related Party Transactions". The following equity arrangements have been made for Suzhou Bodian Yunke Energy Technology Co., Ltd. (hereinafter referred to as "Suzhou Bodian ") and Shanghai Anshibo Energy Technology Co., Ltd. (hereinafter referred to as " Anshibo "), the company's wholly-owned subsidiaries: (1) Increase the capital of Anshibo with 100% equity of Suzhou Bodian at a price of 1000.00 million yuan, and Suzhou Bodian becomes a wholly-owned subsidiary of Anshibo; (2) Transfer 60% equity of Anshibo to the actual controllers of the company, Mr. Wang Yuetian and Ms. Shang Yunsi, at a transaction consideration of RMB 144 million, of which Mr. Wang Yuetian received 36% equity and Ms. Shang Yunsi received 24% equity; (3) After Mr. Wang Yuetian and Ms. Shang Yunsi transferred 60% of the equity of Anshibo, they contributed 80 million yuan in cash to increase the capital of Anshibo, and the company gave up the priority to subscribe and contribute capital for this capital increase. After the completion of the above transaction, the actual controllers, Mr. Wang Yuetian and Ms. Shang Yunsi, will hold a total of 70% of the shares of Anshibo. Anshibo and Suzhou Bodian will no longer be included in the scope of the company's consolidation. The company will directly hold 30% of the shares of Anshibo and indirectly hold 30% of the shares of Suzhou Bodian. For details, please refer to the "Announcement on Transfer of 60% Equity Interests in Wholly Owned Subsidiaries and Abandonment of Priority Subscription and Capital Contribution Rights and Related Party Transactions" (Announcement No.: 2023-068) disclosed by the company on September 29, 2023.

2. On April 28, 2023, the company held the 2022 annual general meeting of shareholders to consider and approve the "Proposal on Repurchase and Cancellation of Part of the First Class Restricted Shares That Have Been Granted but Not Released from Restricted Sales", and resolved to repurchase and cancel a total of 185,800 Class I restricted shares that have been granted but not yet lifted from restricted sales under the 2021 Restricted Stock Incentive Plan. The Company held its third extraordinary general meeting of shareholders in 2023 on June 26, 2023, and reviewed and approved the Proposal on Terminating the Implementation of the 2021 Restricted Stock Incentive Plan and Repurchase, Cancellation and Cancellation of Restricted Shares, and resolved to repurchase and cancel a total of 366,200 Class I restricted shares that have been granted but not yet lifted. As of the end of the reporting period, the above-mentioned restricted stock repurchase and cancellation matters are still under processing. The company has completed the repurchase and cancellation procedures of some restricted shares at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on October 17, 2023. After the completion of this repurchase and cancellation, the company's total share capital was changed from 101,752,000 shares to 101,200,000 shares. For details, please refer to the "Announcement on Completion of Repurchase and Cancellation of Certain Restricted Shares" (Announcement No.: 2023-073) disclosed by the company on October 18, 2023.

## IV. Quarterly Financial Statements

### (1) Financial statements

#### 1. Consolidated Balance Sheets

Prepared by: Shenzhen Honor Electronic Co., Ltd.

September 30, 2023

Unit: Yuan

Projects	September 30, 2023	January 1, 2023
Current assets:		
Monetary fund	611,396,831.16	517,773,386.98
Settlement reserve		
borrowed funds		
Trading financial assets	74,020,192.87	70,117,200.00
Derivative financial assets		
Notes receivable	73,612,619.80	58,257,166.47
Accounts Receivable	890,275,080.50	816,049,257.96
Receivables Financing	62,214,935.94	23,656,994.70
Advance payment	4,116,863.61	2,626,013.78
Premiums receivable		
Reinsurance accounts receivable		
Reserve for reinsurance contracts receivable		
Other receivables	15,982,905.69	19,154,389.88
Including: interest receivable	112,059.97	17,297.60
Dividends receivable		
Redemptory monetary capital for sale		
Inventory	461,958,697.78	402,689,789.83
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other Current Assets	22,544,080.44	20,358,269.25
Total current assets	2,216,122,207.79	1,930,682,468.85
Non-current assets:		
Issue loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	802,203.09	858,469.31
Investment in other equity instruments		
Other non-current financial assets		

Investment real estate		
Fixed assets	1,091,617,325.09	1,097,803,234.25
Construction in progress	191,462,108.04	138,969,427.72
Productive biological assets		
Oil and gas assets		
Right-of-use asset	78,820,202.70	53,942,722.05
Intangible assets	72,892,238.80	76,100,859.15
Development expenditure		
Goodwill		
Long-term deferred expenses	30,807,167.29	26,460,050.19
Deferred Tax Assets	29,703,327.09	21,899,130.20
Other non-current assets	1,074,211.20	1,726,164.92
Total non-current assets	1,497,178,783.30	1,417,760,057.79
Total assets	3,713,300,991.09	3,348,442,526.64
Current Liabilities:		
Short-term loan	195,138,611.11	200,546,763.89
Borrowing from the Central Bank		
Borrowed funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	436,461,013.23	291,492,369.24
Account payables	790,634,075.59	660,104,159.92
Advance receipt	486,728.86	383,332.14
Contract liabilities	1,580,725.21	1,186,317.12
Financial assets sold for repurchase		
Deposits and interbank deposits		
Securities brokerage		
Acting as an agent for underwriting securities		
Employee compensation payable	59,473,425.00	61,023,260.09
Taxes payable	15,378,778.52	18,965,233.49
Other payables	21,157,336.49	42,520,730.15
Including: interest payable		
Dividends payable		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	52,504,713.88	97,582,589.98
Other current liabilities	22,257,124.29	33,942,793.74
Total Current Liabilities	1,595,072,532.18	1,407,747,549.76
Non-Current Liabilities:		
Insurance contract reserves		
Long-term loan	328,285,000.09	261,990,000.06
Bonds payable		
Of which: preferred stock		
Perpetual bond		
Lease liabilities	59,875,825.10	33,035,866.33
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	8,933,231.10	6,122,057.05
Deferred Tax Liabilities	18,569,487.88	11,342,484.42
Other non-current liabilities		
Total Non-Current Liabilities	415,663,544.17	312,490,407.86
Total liabilities	2,010,736,076.35	1,720,237,957.62
Owners' equity:		
Capital stock	101,200,000.00	101,770,000.00
Other equity instruments		
Of which: preferred stock		
Perpetual bond		
Capital reserve	1,085,513,081.23	1,063,935,917.21

Less: treasury shares	62,600,689.07	81,287,282.67
Other comprehensive income	6,688,006.26	4,644,705.10
Special reserve		
Surplus reserve	50,885,000.00	50,885,000.00
General risk preparation		
Undistributed profit	521,468,594.90	487,577,371.50
Total owner's equity attributable to parent Company	1,703,153,993.32	1,627,525,711.14
Minority interests	-589,078.58	678,857.88
Total owner's equity	1,702,564,914.74	1,628,204,569.02
Total liabilities and owners' equity	3,713,300,991.09	3,348,442,526.64

Legal representative: Wang Heqiu Person in charge of accounting work: Zhang Shuyuan Person in charge of accounting department: Tan Qun

## 2. Consolidated income statement from the beginning of the year to the end of the reporting period

Unit: Yuan

Projects	Amount in the current period	Amount in the previous period
I. Total operating income	2,065,690,640.54	1,977,433,111.21
Including: operating income	2,065,690,640.54	1,977,433,111.21
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating cost	2,010,517,892.85	1,940,518,195.30
Including: operating cost	1,662,183,366.76	1,660,206,416.52
Interest expense		
Fees and commissions		
Surrender money		
Net compensation expense		
Withdrawal of net insurance liability reserves		
Policy dividend payout		
Reinsurance fees		
Taxes & surcharges	7,680,528.33	6,440,656.16
Selling expense	53,039,057.37	47,976,297.90
Administration expense	119,732,855.04	129,489,055.22
R&D; expenses	171,615,004.18	141,854,652.41
Finance expense	-3,732,918.83	-45,448,882.91
Including: interest expense	16,097,138.26	12,627,739.41
Interest income	3,404,626.36	2,721,143.57
Plus: other income	9,979,038.10	12,538,635.23
Investment income (losses are listed with "- ")	2,032,006.17	3,526,250.76
Including: investment income in associates and joint ventures		
Derecognition of financial assets measured at amortized cost		
Exchange gains (losses are marked with "-")		
Column)		
Net exposure hedging gain (losses are listed with "- ")		
Gain from change in fair value (losses are listed with "- ")	20,192.87	-205,348.49
Credit impairment loss (losses are listed with "- ")	-6,310,114.34	1,593,543.84
Asset impairment loss (losses are listed with "- ")	-10,058,912.85	-4,052,624.40
Asset disposal gains (losses are listed with "- ")	40,349.29	77,858.04

III. Operating profit (losses are listed with "- ")	50,875,306.93	50,393,230.89
Plus: non-operating income	831,296.72	73,797.09
Less: non-operating expenses	785,475.41	232,804.14
IV. Total profit (total loss is listed with "- ")	50,921,128.24	50,234,223.84
Less: income tax expense	9,274,280.55	9,801,166.32
V. Net profit (net loss is listed with "- ")	41,646,847.69	40,433,057.52
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss is listed with "- ")	41,646,847.69	40,433,057.52
2. Net profit from discontinued operations (net loss is listed with "- ")		
(2) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss is listed with "- ")	42,914,784.15	40,845,548.64
2. Minority shareholders' gains and losses (net losses are listed with "- ")	-1,267,936.46	-412,491.12
VI. Net after-tax other comprehensive income	2,043,301.16	17,784,105.19
After-tax net of other comprehensive income attributable to owners of the parent company	2,043,301.16	17,784,105.19
(1) Other comprehensive income that cannot be reclassified into profit or loss		
1. Re-measurement of defined benefit plan changes		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments		
4. Changes in the fair value of the company's own credit risk		
5. Other		
(2) Other comprehensive income that will be reclassified into profit or loss	2,043,301.16	17,784,105.19
1. Other comprehensive income that can be transferred to profit and 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. Credit impairment provision for other debt investments		
5. Cash Flow Hedge Reserve		
6. Translation differences of foreign currency financial statements	2,043,301.16	17,784,105.19
7. Other		
Other comprehensive income attributable to minority shareholders		
Net after tax		
VII. Total comprehensive income	43,690,148.85	58,217,162.71
(1) Total comprehensive income attributable to owners of the parent company	44,958,085.31	58,629,653.83
(2) Total comprehensive income attributable to minority shareholders	-1,267,936.46	-412,491.12
VIII. Earnings per share:		
(1) Basic earnings per share	0.42	0.41

(2) Diluted earnings per share	0.42	0.41
--------------------------------	------	------

Legal representative: Wang Heqiu Person in charge of accounting work: Zhang Shuyuan Person in charge of accounting department: Tan Qun

### 3. Consolidated cash flow statement from the beginning of the year to the end of the reporting period

Unit: Yuan

Projects	Amount in the current period	Amount in the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	1,750,590,715.28	1,804,443,944.03
Net increase in customer deposits and interbank deposits		
Net increase in borrowing from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from original insurance contract premiums		
Net cash received from reinsurance business		
Net increase in deposits and investment funds of policyholders		
Cash for interest, handling fees and commissions		
Net increase in borrowed funds		
Net increase in repurchase business funds		
Net cash received from brokerage of securities		
Tax refunds received	79,543,202.10	94,640,277.55
Receive other cash related to operating activities	132,458,005.99	129,400,900.13
Subtotal of cash inflow from operating activities	1,962,591,923.37	2,028,485,121.71
Cash paid for purchasing goods and accepting labor services	978,210,963.66	1,454,522,037.83
Net increase in loans and advances to customers		
Net increase in deposits with central banks and interbanks		
Cash for payment of original insurance contract claims		
Net increase in borrowing funds		
Cash for payment of interest, fees and commissions		
Cash to pay policy dividends		
Cash paid to and for employees	381,455,025.65	346,556,471.93
Taxes paid	49,845,625.18	19,823,812.59
Other cash payments related to operating activities	244,651,966.16	132,723,881.36
Subtotal of cash outflows from operating activities	1,654,163,580.65	1,953,626,203.71
Net cash flow from operating activities	308,428,342.72	74,858,918.00
II. Cash flow from investing activities:		
Cash received from investment		
Cash received from investment income		
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 units		
Other cash received related to investing activities	395,226,361.17	423,715,293.08
Subtotal of cash inflows from investing activities	395,226,361.17	423,715,293.08
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	189,312,071.25	590,010,482.78
Cash paid for investments		
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments related to investing activities	397,000,000.00	353,000,000.00
Subtotal of cash outflows from investing activities	586,312,071.25	943,010,482.78
Net cash flows from investing activities	-191,085,710.08	-519,295,189.70
III. Cash flow from financing activities:		
Cash received from investment		1,000,000.00
Including: the cash received by the subsidiary from absorbing the investment of minority shareholders		1,000,000.00
Cash received from borrowing	185,000,000.00	465,957,952.56
Other cash received in connection with financing activities		
Subtotal of cash inflows from financing activities	185,000,000.00	466,957,952.56
Cash paid for debt repayment	178,654,999.97	251,444,168.69
Cash paid for distribution of dividends, profits or interest payments	23,562,754.98	23,724,104.06
Including: dividends and profits paid by subsidiaries to minority shareholders		
Other cash payments related to financing activities	45,128,528.89	93,656,001.57
Subtotal of cash outflows from financing activities	247,346,283.84	368,824,274.32
Net cash flow from financing activities	-62,346,283.84	98,133,678.24
IV. The impact of exchange rate changes on cash and cash equivalents	4,439,684.49	23,984,069.49
V. Net increase in cash and cash equivalents	59,436,033.29	-322,318,523.97
Add: balance of cash and cash equivalents at the beginning of the period	438,009,246.87	673,277,524.32
VI. Balance of cash and cash equivalents at the end of the period	497,445,280.16	350,959,000.35

**(2) The first implementation of the new accounting standards from 2023 to adjust the items related to the financial statements at the beginning of the year**

Applicable  Not applicable

Adjustment statement

1. Consolidated Balance Sheets

Amount unit: yuan

<b>Projects</b>	<b>January 1, 2023</b>	<b>December 31, 2022</b>	<b>Adjustments</b>
Deferred Tax Assets	21,899,130.20	12,066,508.49	9,832,621.71
Deferred Tax Liabilities	11,342,484.42	1,767,561.57	9,574,922.85
Undistributed profit	487,577,371.50	487,318,105.48	259,266.02
Minority interests	678,857.88	680,425.04	-1,567.16

After the implementation of the new accounting standards for the first time, on January 1, 2023, the Consolidated Balance Sheets of the Company increased its Deferred Tax Assets by Rmb9,832,621.71, Deferred Tax Liabilities by Rmb9,574,922.85, undistributed profits by Rmb259,266.02, and minority shareholders' equity by Rmb1,567.16. Except for the above adjustments, other financial statement items have no impact.

2. Parent company balance sheet

Amount unit: yuan

<b>Projects</b>	<b>January 1, 2023</b>	<b>December 31, 2022</b>	<b>Adjustments</b>
Deferred Tax Assets	16,369,259.26	10,470,714.25	5,898,545.01
Deferred Tax Liabilities	7,518,122.28	1,767,561.57	5,750,560.71
Undistributed profit	510,417,702.48	510,269,718.18	147,984.30

After the implementation of the new accounting standards for the first time, on January 1, 2023, the deferred income tax assets of the parent company's balance sheet increased by 5,898,545.01 yuan, the Deferred Tax Liabilities increased by 5,750,560.71 yuan, and the undistributed profit increased by 147,984.30 yuan. Except for the above adjustments, other financial statement items have no impact.

### **(3) Audit report**

Has the third quarter report been audited?

■ whether

The company's third quarter report is unaudited.

Board of Directors of Shenzhen Honor Electronic Co., Ltd.

October 25, 2023