

Stock code: 000045,200045

Stock Abbreviation: Shen Textile A, Shen Textile B

Announcement No. :2021-59

Shenzhen Textile (Holdings) Co., Ltd.

The Third Quarterly Report 2021

The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. Not any false record, misleading statement or significant omission carried in this announcement.

Important content reminder:

1.The Board of Directors, The Supervisory Committee, the supervisors and the directors of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Report.

2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

3. Whether the Third Quarterly Report has been audited or not

Yes No

4. This Report has been prepared in both Chinese and English, in case any discrepancy, the Chinese version shall prevail.

I. Main financial data

(I) Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	This period	Increase/decrease in the period compared with the same period of the previous year	Year-begin to period-end	Increase/decrease from year-begin to period-end compared with the same period of the previous year
Operating income (Yuan)	570,752,050.04	-7.44%	1,672,288,457.42	13.53%
Net profit attributable to the shareholders of the listed company (Yuan)	4,921,591.39	-80.10%	81,524,665.78	220.38%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	815,872.77	-96.07%	62,630,401.66	358.40%
Cash flow generated by business operation, net (Yuan)	—	—	-67,619,943.80	-35.64%
Basic earning per share (Yuan/Share)	0.0097	-80.08%	0.1608	221.60%

Diluted gains per share(Yuan/Share)	0.0097	-80.08%	0.1608	221.60%
Weighted average return on equity (%)	0.17%	-81.11%	2.91%	1.98%
	End of this period	End of last period	Increase/decrease at the period-end compared with the end of the previous year	
Gross assets (Yuan)	5,449,740,850.61	4,969,547,552.23	9.66%	
Net assets attributable to the shareholders of the listed company (Yuan)	2,827,318,581.92	2,766,234,174.39	2.21%	

(II) Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	This period	Amount from year-begin to period -end	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-2,000.00	-2,055.96	
Governmental Subsidy accounted as current gain/loss, except for those subsidies at with amount or quantity fixed by the national government and closely related to the Company's business operation.	6,834,233.47	15,598,802.48	Other benefits of government subsidies that are confirmed related to the main business.
Net amount of non-operating income and expense except the aforesaid items	-124,649.13	19,967,824.33	It is mainly for carrying forward unpaid payables and insurance claims income.
Less :Influenced amount of income tax	135,280.09	4,496,099.20	
Influenced amount of minor shareholders' equity (after tax)	2,466,585.63	12,174,207.53	
Total	4,105,718.62	18,894,264.12	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

Applicable Not applicable

The Company does not have other gain/loss items that qualified the definition of non-recurring profit (gains)/losses

Explanation on those non-recurring gain/loss listed in the "Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss" defined as recurring gain/loss

Applicable Not applicable

The Company does not have the non-recurring gain/loss listed in the "Q &A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss" defined as recurring gain/loss

(III) Particulars about changes in items of main accounting data and financial index and explanations of reasons

Applicable Not applicable

In the first third quarters of 2021, the Company realized the net profit attributable to shareholders of the listed company of RMB 81.5247 million, an increase of 220.38% over the same period last year. The main reasons were: first, the market for polarizers continued to improve in this year, the Company further optimized the order structure, and the average gross profit margin steadily increased; second, in the same period last year, the Company responded to the new coronavirus epidemic and supported companies to overcome difficulties, and the

Company actively responded to the call of the Shenzhen Municipal Party Committee and the State-owned Assets Supervision and Administration Commission for some tenants' rents in February and March of 2020 to be reduced or exempted, however the rental income for the current period increased significantly YOY.

In the third quarter of 2021, the Company realized the net profit attributable to shareholders of the listed company of RMB 4,921,600, a decrease of 80.10% from the same period last year. It's mainly due to the Company's ultra-large-size TV polarizer project (line 7) was still in a ramping period after mass production in July this year, coupled with the depreciation and amortization of fixed assets, resulting in high unit manufacturing costs; Meanwhile, the Company increased the R&D investment, resulting in a certain impact on the Company's third quarter performance. With the advancement of the ramp-up of Line 7 and the release of production capacity, it will boost the Company's operating performance.

Items	Ending balance (RMB 10,000)	Operaing balance(RMB 10,000)	Changes ratio	Reasons of changes
Monetary funds	17,165.78	27,908.72	-38.49%	Mainly due to the investment in Line 7 project.
Notes receivable	934.00	1,681.00	-44.44%	Mainly due to the decrease in acceptance of bills payment by customers for the sales of polarizer's during the reporting period.
Prepayments	5,709.00	1,690.00	237.81%	Mainly due to the increase in prepayment for materials during the reporting period.
Inventories	68,870.00	48,085.00	43.23%	Mainly due to the increased purchase of raw materials for stocking.
Construction in process	2,555.00	130,175.00	-98.04%	Mainly due to the "fixed assets" turned by the Line 7 project as it reached the expected usable state
Fixed assets	249,442.00	79,018.00	215.68%	Mainly due to the "fixed assets" turned by the Line 7 project as it reached the expected usable state
Long-germ expenses to be amortized	504.00	288.00	75.00%	Mainly due to the amortization of newly added boiler heat transfer oil, pure water level 1 reverse osmosis, RTO pipeline maintenance and other items in the current period.
Other current assets	9,576.00	14,331.00	-33.18%	Mainly due to the certified input tax to be deducted and therefore transferred to the tax payable during the reporting period.
Long-term loans	66,030.00	34,310.00	92.45%	Mainly due to the increase in loans for Line 7 project during the reporting period
Shares in stock	0.00	753.00	-100.00%	Mainly due to the repurchase of the restricted stocks.
Retained profit	15,324.00	8,691.00	76.32%	Mainly due to earning a profit during the reporting period.
Items	Amount at the period (RMB 10,000)	Amount at the same period of last year(RMB 10,000)	Changes ratio	Reasons of changes
R & D Cost	7,285.00	4,057.00	79.57%	Mainly due to the increase in research and development expenditures in the current period.
Financial expenses	-168.00	270.00	-162.22%	Mainly due to the sharp decline in the yen exchange rate during the reporting period and the substantial increase in exchange gains.
Credit impairment loss	-319.00	-927.00	-65.59%	Mainly due to the receivable accounts recovered in the current period and the reversal of bad debt provisions.
Operating profit	10,414.00	3,076.00	238.56%	Mainly due to the profitability of the polarizer business during the reporting period.
Non-operating income	2,054.00	4.00	51250.00%	Insurance claims received in the current period, while none in the same period last year.
Non-operating expense	57.00	12.00	375.00%	Scrapped fixed assets increased YOY in the current period.
Total profit	12,410.00	3,068.00	304.50%	Mainly due to the profitability of the polarizer business during the reporting period.
Net profit	8,152.00	2,545.00	220.31%	Mainly due to the profitability of the polarizer business during the reporting period.
Net cash flow generated by operating activities	-6,761.99	-4,985.11	35.64%	Mainly due to the increase in the purchase of polarizer materials in the current period, which led to an increase in the payment of customs deposits.

Net cash flow generated by investment activities	-31,611.19	-15,672.56	101.70%	Mainly due to the increase of the investment of Line 7 and in purchases of currency funds and wealth management products during the reporting period.
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II. Shareholders Information

(I) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the period-end		25,999	Total preference shareholders with the voting power recovered at the end of the reporting period(if any)		0	
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	46.21%	234,069,436			
Shenzhen Shenchao Technology Investment Co., Ltd.	State-owned legal person	3.18%	16,129,032			
Sun Huiming	Domestic Nature person	1.09%	5,529,653			
Deng Yan	Domestic Nature person	0.78%	3,953,800			
Su Weipeng	Domestic Nature person	0.56%	2,823,066		Pledge	2,800,000
Qi Jianhong	Domestic Nature person	0.43%	2,199,800			
Li Zengmao	Domestic Nature person	0.41%	2,078,697			
Shen Zhenxing	Domestic Nature person	0.39%	1,963,300			
Wang Zhongjing	Domestic Nature person	0.35%	1,779,000			
Hou Xiulan	Domestic Nature person	0.34%	1,717,991			
Shareholding of top 10 shareholders of unrestricted shares						
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type				
		Share type	Quantity			
Shenzhen Investment Holdings Co., Ltd.	234,069,436	RMB Common shares	234,069,436			
Shenzhen Shenchao Technology Investment Co., Ltd.	16,129,032	RMB Common shares	16,129,032			
Sun Huiming	5,529,653	Foreign shares placed in domestic exchange	5,529,653			
Deng Yan	3,953,800	RMB Common shares	3,953,800			
Su Weipeng	2,823,066	RMB Common shares	2,823,066			

Qi Jianhong	2,199,800	RMB Common shares	2,199,800
Li Zengmao	2,078,697	RMB Common shares	2,078,697
Shen Zhenxing	1,963,300	RMB Common shares	1,963,300
Wang Zhongjing	1,779,000	RMB Common shares	1,779,000
Hou Xiulan	1,717,991	RMB Common shares	1,717,991
Related or acting-in-concert parties among shareholders above	Among the top 10 common shareholders, Shenzhen Investment Holdings Co., Ltd. and Shenzhen Shenchao Technology Investment Co., Ltd. do not constitute a concerted party relationship. In addition, the company does not know whether there is an associated relationship among the top 10 ordinary shareholders, and between the top 10 ordinary shareholders and the top 10 shareholders, or whether they are persons taking concerted action defined in Regulations on Disclosure of Information about Shareholding of Shareholders of Listed Companies.		
Participation of top 10 unconditional common shareholders in securities margin trading (if any)	The Company Shareholder Hou Xiulan holds 1,717,991 shares of the Company through stock account with credit transaction;		

(II) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

III. Other significant events

Applicable Not applicable

(I) Progress of polarizer industrialization project for ultra-large TV (Line 7)

During the reporting period, the company strengthened the staffing and resource guarantee to overcome the adverse effects caused by the epidemic situation. The Line 7 project was officially put into production in July. As of the disclosure date of this report, the Line 7 project is in a ramp-up period.

On March 16, 2021, all the funds raised from the special account for raising funds of Line 7 project have been used up according to regulations, and the company has canceled the special account for raising funds. For details, please refer to Announcement No.2021-30 of cninfo (<http://www.cninfo.com.cn>).

As of September 30, 2021, the accumulated signed contract amount of Line 7 project was RMB 2,091.2036 million, and the actual payment was RMB 1,992.8241 million (with raised funds of RMB 409.9535 million, and its own funds and government funds of RMB 1,582.8706 million).

(II) Progress in subsidiaries participating in the establishment of industrial funds

On November 16, 2017, the company's controlling subsidiary SAPO Photoelectric signed the Changxing Junying Equity Investment Partnership (Limited Partnership) Agreement with the fund manager Huizhi Investment Management Co., Ltd, general partner Jinxin Investment Co., Ltd and other limited partners, and co-sponsored the establishment of an industrial fund, focusing on the optical film industry chain related projects related to the company's main business, with a fund size of RMB 50 million. SAPO Photoelectric, as one of the limited partners of the industrial fund, subscribed for a capital contribution of RMB 28.5 million. For details Juchao Website: (<http://www.cninfo.com.cn>. (Announcement No.2017--55).

On February 10, 2018, Changxing Junying Equity Investment Partnership completed the industrial and commercial registration and completed the private equity investment fund registration on February 8, 2018. For details Juchao Website: (<http://www.cninfo.com.cn>. (Announcement No.2018--05).

As of September 30, 2021, Changxing Junying had accumulated 3 investment projects with a total investment of RMB 42 million.

No	Name	Investment	Fund contribution
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			(RMB 10,000)
1	Shenzhen Kaichuang Shijia Technology Co., Ltd.	Optical Film	1,400
2	Shenzhen Shenfuyu Electronic Technology Co., Ltd.	Optical Film	1,300
3	Shenzhen Hengbaoshun Technology Development Co., Ltd.	Optical Film	1,500

(III) Matters on liquidation and cancellation of Shenzhen Textile Import & Export Co., Ltd.

On July 13, 2021, the company held the fifth meeting of the eighth board of directors to review and approve the Proposal on Liquidation and Cancellation of Shenzhen Textile Import & Export Co., Ltd., and agreed on the Liquidation Report of Shenzhen Textile Import & Export Co., Ltd. completed by the liquidation group, and liquidated and distributed its assets in accordance with legal procedures, and completed formalities such as industrial and commercial cancellation. The liquidation and cancellation of Shenzhen Textile Import & Export Co., Ltd. (hereinafter referred to as "Shenzhen Textile Import & Export") will change the scope of the company's consolidated financial statements, facilitate the disposal of inefficient assets, reduce management costs, and will not affect the company's production and operation. The impact of the cancellation of Shenzhen Textile Import & Export in this liquidation on the current profits and losses is estimated to be RMB 7.64 million, and the actual amount is subject to the results confirmed by the annual audit of the audit institution. For details, please refer to the Announcement on Liquidation and Cancellation of Shenzhen Textile Import & Export. (No.2021-45) issued by Juchao Information Network (<http://www.cninfo.com.cn>).

As of the disclosure date of this report, the Company has received the "Enterprise Cancellation Notice" issued by the Shenzhen Municipal Market Supervision and Administration Bureau, and the cancellation procedures of Shenzhen Textile Import & Export have been completed.

(IV) Matters on the listing and leasing of some properties in Block C of Shenzhen Textile Building

On July 13, 2021, the company held the fifth meeting of the eighth board of directors to review and approve the Proposal on Listing and Leasing Some Properties in Block C of Shenzhen Textile Building, and agreed that the company will publicly list and lease 6,100 square meters of properties of the 8F-10F and 1F lobby of Block C of Shenzhen Textile Building through Shenzhen United Property and Share Rights Co., Ltd., with a lease term of 10 years (including a rent-free period of 6 months), and the rental price is not lower than 85 yuan/m²/month (including property management fee). The rent will increase by 5% every three years from the date of contract conclusion, and the final transaction price will be determined according to the listing result. The listing and leasing of some properties in Block C of Shenzhen Textile Building has shifted the market risk from self-operated hotels to brand hotel operators through overall external leasing, which is conducive to improving the overall operational efficiency of the company's assets, reducing operational risks, bringing stable rental income to the company and helping to realize the preservation and appreciation of state-owned assets. For details, please refer to the Announcement of Resolutions of the Fifth Meeting of the Eighth Board of Directors of the company (No.2021-44) on Juchao Information Network (<http://www.cninfo.com.cn>).

As of the disclosure date of this report, the Company has signed a lease contract with the lessee based on the listing result, and the leasing of the properties has been completed.

(V) The disposal of assets of the joint venture company Xieli Automobile Co., Ltd.

Shenzhen Xieli Automobile Enterprise Co., Ltd. (hereinafter referred to as "Shenzhen Xieli") is a Sino-foreign joint venture invested and established by the company and Hong Kong Xieli Maintenance Company in 1981, with a registered capital of RMB 3.12 million, and the company holds 50% of the equity. The company's operating period ended in 2008, and its business license was revoked in 2014. The company's main asset is real estate. Up to now, the company has received RMB 25.76 million. This matter has no impact on the company's profit and loss. According to the professional opinions and suggestions of the law firm, the Company actively negotiates with other shareholders of Shenzhen Xieli on the cancellation of Shenzhen Xieli Company, meanwhile, the Company has entrusted a lawyer to promote the settlement of related issues through legal channels. The company will promptly follow the follow-up progress. Fulfill information disclosure obligations.

(VI) Matters on waiver of preemption right and equity transfer of holding subsidiaries

On November 27, 2020, the company received the "Letter" sent by Jinjiang Group, informing the company in writing that it intends to acquire the 40% equity of SAPO Photoelectric held by Hangzhou Jinhang Equity Investment Fund Partnership (Limited Partnership) (hereinafter referred to as "Jinhang Investment"); On

December 21, 2020, the company received the Notice of Equity Transfer from Jinhang Investment, informing the company in writing that Jinhang Investment intends to transfer its 40% equity of SAPO Photoelectric, and according to the Company Law of the People's Republic of China and the Articles of Association of Shenzhen SAPO Photoelectric Technology Co., Ltd., it specially sought the company's opinions on the transfer matters.

On December 25, 2020, after research and decision-making, the company formally replied to Jinhang Investment, and the company gave up the preemptive right to exercise the 40% equity of SAPO Photoelectric, the holding subsidiary of the company held by Jinhang Investment. For details, please refer to the Announcement on Waiver of Preemptive Rights of Holding Subsidiaries (No.2020-57) on Juchao Information Network (<http://www.cninfo.com.cn>) on December 26, 2020.

In July 2021, the company received the *Letter* from Jinjiang Group, informing the company about the progress of the above-mentioned equity transfer: Jinhang Investment and the intended transferee Suzhou Advantage Ford Investment Center (Limited Partnership) (hereinafter referred to as "Advantage Ford") have completed their internal decision-making examination and approval, and the delivery conditions for Advantage Ford to accept 100% of the partnership share of Jinhang Investment have been met, and both parties will promote the transfer of the partnership share. After the completion of the transfer procedure, Advantage Ford will directly hold 99.93333% of the partnership share of Jinhang Investment; Meanwhile, Zhejiang Hengjie Industrial Co., Ltd. indirectly holds a partnership share of 0.06667% of Jinhang Investment. As of July 28, 2021, for the above equity transfer, the industrial and commercial change registration procedures have been completed. After the completion of this equity transfer, the shareholders and equity ratio of SAPO Photoelectric, the holding subsidiary of the company, remain unchanged, and the scope of the consolidated statements of the company has not changed. Advantage Ford holds 40% equity of SAPO Photoelectrics through Jinhang Investment, and the strategic investor of SAPO Photoelectric will be changed from Jinjiang Group to Advantage Ford. Advantage Ford has rich industrial resources, industrial investment and management experience, and both parties will give full play to their respective advantages to further improve and strengthen the main business of polarizer. For details, please refer to the Progress Announcement on Waiver of Preemptive Rights and Equity Transfer of Holding Subsidiaries (No.2021-47) on Juchao Information Network (<http://www.cninfo.com.cn>).

Announcement	Date of disclosure	Website for disclosure
Regarding waving the preemptive right of holding subsidiaries to purchase the equity in the transfer of equity	December 26,2020	http://www.cninfo.com.cn . Announcement No.:2020-57
	July 28,2021	http://www.cninfo.com.cn . Announcement No.: 2021-47

IV. Quarterly financial statements

(I) Financial statement

1. Consolidated balance sheet

Prepared by: Shenzhen Textile (Holdings) Co., Ltd.

In RMB

Items	September 30,2021	December 31,2020
Current asset :		
Monetary fund	171,657,846.21	279,087,236.95
Settlement provision		
Outgoing call loan		
Transactional financial assets	674,113,516.87	684,617,260.06
Derivative financial assets		
Notes receivable	9,336,889.37	16,813,657.28
Account receivable	497,847,776.11	547,310,217.90
Financing receivable	110,450,952.65	102,051,314.08
Prepayments	57,086,881.48	16,902,516.39
Insurance receivable		
Reinsurance receivable		

Provisions of Reinsurance contracts receivable		
Other account receivable	125,239,026.80	5,265,002.71
Including: Interest receivable		
Dividend receivable		
Repurchasing of financial assets		
Inventories	688,703,515.15	480,847,581.44
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		77,482,083.47
Total of current assets	2,334,436,404.64	2,210,376,870.28
Non-current assets:		
Loans and payment on other's behalf disbursed		
Creditor's Investment		
Other Creditor's Investment		
Long-term receivable		
Long term share equity investment	131,953,410.51	147,929,137.23
Other equity instruments investment	188,523,588.28	190,607,427.54
Other non-current financial assets	28,500,000.00	30,650,943.40
Property investment	107,514,093.97	110,572,471.92
Fixed assets	2,494,421,888.86	790,183,905.38
Construction in progress	25,547,842.12	1,301,750,141.12
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	35,772,084.40	36,048,978.91
Development expenses		
Goodwill		
Long-germ expenses to be amortized	5,042,987.32	2,876,561.53
Deferred income tax asset	2,268,464.24	5,243,425.26
Other non-current asset	95,760,086.27	143,307,689.66
Total of non-current assets	3,115,304,445.97	2,759,170,681.95
Total of assets	5,449,740,850.61	4,969,547,552.23
Current liabilities		
Short-term loans		
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	7,669,508.44	
Account payable	408,978,880.37	329,468,601.90
Advance receipts	2,928,999.85	3,542,394.33
Contract liabilities	115,090.96	279,631.27
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		

Entrusted selling of securities		
Employees' wage payable	54,321,126.68	55,642,549.53
Tax payable	9,920,533.30	12,198,522.02
Other account payable	139,181,376.73	156,118,440.42
Including: Interest payable		
Dividend payable		
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year		
Other current liability		
Total of current liability	623,115,516.33	557,250,139.47
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	660,298,055.62	343,100,174.35
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	114,619,577.28	110,740,322.21
Deferred income tax liability	58,844,468.45	59,141,666.58
Other non-current liabilities		
Total non-current liabilities	833,762,101.35	512,982,163.14
Total of liability	1,456,877,617.68	1,070,232,302.61
Owners' equity		
Share capital	506,521,849.00	507,772,279.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,961,599,824.63	1,967,514,358.53
Less: Shares in stock		7,525,438.20
Other comprehensive income	111,000,855.34	116,605,932.42
Special reserve		
Surplus reserves	94,954,652.14	94,954,652.14
Common risk provision		
Retained profit	153,241,400.81	86,912,390.50
Total of owner's equity belong to the parent company	2,827,318,581.92	2,766,234,174.39
Minority shareholders' equity	1,165,544,651.01	1,133,081,075.23
Total of owners' equity	3,992,863,232.93	3,899,315,249.62
Total of liabilities and owners' equity	5,449,740,850.61	4,969,547,552.23

Legal Representative: Zhang Jian Person in charge of accounting: He Fei Accounting Dept Leader: Zhu Jingjing

2. Consolidated Income statement between the beginning of the year and end of the report period

In RMB

Items	Amount in this period	Amount in last period
I. Turnover	1,672,288,457.42	1,472,945,950.97
Including: Operating income	1,672,288,457.42	1,472,945,950.97
Interest income		
Insurance fee earned		
Commission charge and commission income		
II. Total operating costs	1,567,461,441.79	1,425,570,772.57
Including : Operating costs	1,379,262,086.65	1,283,739,152.30
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Appropriation of deposit for duty, net		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	8,269,997.28	4,923,633.41
Sales expense	29,460,382.12	24,800,348.73
Administrative expense	79,307,075.50	68,842,342.28
R & D expense	72,845,148.60	40,565,492.91
Financial expenses	-1,683,248.36	2,699,802.94
Including: Interest expense	6,633,474.73	230,028.92
Interest income	-1,296,753.78	-3,422,921.76
Add: Other income	15,598,802.48	19,189,814.08
Investment gain (“-”for loss)	14,814,120.81	17,794,208.51
Including: investment gains from affiliates	-1,136,505.95	-3,520,801.17
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value	1,670,362.39	
Credit impairment loss	-3,185,779.89	-9,265,693.91
Impairment loss of assets	-29,586,926.60	-44,600,057.88
Assets disposal income	-2,055.96	262,826.07
III. Operating profit (“-”for loss)	104,135,538.86	30,756,275.27
Add : Non-operating income	20,541,381.97	43,859.98
Less: Non-operating expense	573,557.64	124,313.63
IV. Total profit (“-”for loss)	124,103,363.19	30,675,821.62
Less: Income tax expenses	10,115,121.63	8,699,018.09
V. Net profit	113,988,241.56	21,976,803.53
(I) Classification by business continuity		
1.Net continuing operating profit	113,988,241.56	21,976,803.53
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	81,524,665.78	25,446,148.57

2.Minority shareholders' equity	32,463,575.78	-3,469,345.04
VI. Net after-tax of other comprehensive income	-5,605,077.08	2,037,591.90
Net of profit of other comprehensive income attributable to owners of the parent company.	-5,605,077.08	2,037,591.90
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	-1,562,879.45	2,018,288.05
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	-1,562,879.45	2,018,288.05
4. Changes in the fair value of the company's credit risks		
5.Other		
(II)Other comprehensive income that will be reclassified into profit or loss	-4,042,197.63	19,303.85
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4.Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6.Translation differences in currency financial statements	-4,042,197.63	19,303.85
7.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	108,383,164.48	24,014,395.43
Total comprehensive income attributable to the owner of the parent company	75,919,588.70	27,483,740.47
Total comprehensive income attributable minority shareholders	32,463,575.78	-3,469,345.04
VIII. Earnings per share		
(I)Basic earnings per share	0.1608	0.0500
(II)Diluted earnings per share	0.1608	0.0500

Legal Representative: Zhang Jian Person in charge of accounting: He Fei Accounting Dept Leader: Zhu Jingjing

3. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,666,106,504.72	1,279,089,802.91
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		

Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	8,987,999.63	91,793,042.68
Other cash received from business operation	72,639,079.51	126,958,254.84
Sub-total of cash inflow	1,747,733,583.86	1,497,841,100.43
Cash paid for purchasing of merchandise and services	1,386,893,620.51	1,270,741,207.87
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	189,814,822.46	125,654,764.15
Taxes paid	49,537,771.43	46,545,448.93
Other cash paid for business activities	189,107,313.26	104,750,813.16
Sub-total of cash outflow from business activities	1,815,353,527.66	1,547,692,234.11
Net cash generated from /used in operating activities	-67,619,943.80	-49,851,133.68
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	12,017,436.95	10,594,307.85
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	83,120.00	2,759,867.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	992,245,903.18	2,784,072,842.49
Sub-total of cash inflow due to investment activities	1,004,346,460.13	2,797,427,017.34
Cash paid for construction of fixed assets, intangible assets and other long-term assets	363,083,404.85	415,152,615.95
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	957,374,977.65	2,539,000,000.00
Sub-total of cash outflow due to investment activities	1,320,458,382.50	2,954,152,615.95
Net cash flow generated by investment	-316,111,922.37	-156,725,598.61
III. Cash flow generated by financing		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	316,639,000.00	254,600,000.00
Other financing –related cash received		
Sub-total of cash inflow from financing activities	316,639,000.00	254,600,000.00
Cash to repay debts		
Cash paid as dividend, profit, or interests	30,808,915.80	577,232.24
Including: Dividend and profit paid by subsidiaries to minor shareholders		

Other cash paid for financing activities	7,820,298.30	9,341,774.70
Sub-total of cash outflow due to financing activities	38,629,214.10	9,919,006.94
Net cash flow generated by financing	278,009,785.90	244,680,993.06
IV. Influence of exchange rate alternation on cash and cash equivalents	-957,310.47	862,495.62
V.Net increase of cash and cash equivalents	-106,679,390.74	38,966,756.39
Add: balance of cash and cash equivalents at the beginning of term	278,337,236.95	268,646,588.18
VI ..Balance of cash and cash equivalents at the end of term	171,657,846.21	307,613,344.57

(II) Adjustments to the Financial Statements

1. Adjustment of the relevant items of the financial statements at the current year beginning according to the new standards for financial instruments, the new standards for revenues and the new standards for lease implemented commencing from year 2021

Applicable Not applicable

2. Note to the retroactive adjustment of the previous comparative data according to the new standards for financial instruments and the new standards for lease implemented commencing from year 2021

Applicable Not applicable

(III) Audit report

Is the Third Quarterly Report be audited?

Yes No

The Third Quarterly report is not audited.

The Board of Directors of Shenzhen Textile (Holdings) Co., Ltd.
October 30, 2021