

Stock Code: 002236

Stock Abbreviation: Dahua

Notification No.: 2021-117

Zhejiang Dahua Technology Co., Ltd.

2021 Q3 Report

The Company and all members of the Board of Directors hereby guarantee that the information disclosed herein is authentic, accurate and complete and free of any false records, misleading statements, or material omissions.

Important Notice:

1. The Board of Directors, the Board of Supervisors, directors, supervisors and senior management members of the Company hereby guarantee that the information presented in this quarterly report is authentic, accurate, complete and free of any false records, misleading statements or material omissions, and they will bear joint and several liability for such information.
2. The Company's legal representative, chief accountant, and person in charge of accounting institution (Accounting Officer) hereby declare and warrant that the financial statements in the quarterly report are authentic, accurate, and complete.
3. Whether the Q3 report has been audited.

Yes No

I. Key Financial Data

(I) Key Accounting Data and Financial Indicators

Whether the Company needs retroactive adjustment or restatement of accounting data in prior years or not

Yes No

	The Current Reporting Period	Increase/Decrease of the Current Reporting Period Compared with the Same Period of the Previous Year	From the Beginning of the Year to the End of the Current Reporting Period	Increase/Decrease of the Period from the Beginning of the Year to the End of the Current Reporting Period Compared with the Same Period of the Previous Year
Operating Revenue (RMB)	7,980,099,801.37	26.11%	21,485,105,535.26	32.90%
Net Profit Attributable to Shareholders of the Listed Company (RMB)	755,871,328.43	-48.09%	2,399,047,215.98	-15.08%
Net Profit Attributable to Shareholders of the Listed Company After Deducting Non-Recurring Gains and Losses (RMB)	698,121,885.20	56.50%	2,137,713,932.42	23.12%

Net Cash Flow Generated by Operational Activities (RMB)	—	—	-1,213,296,065.50	-195.69%
Basic Earnings per Share (RMB/Share)	0.26	-48.00%	0.81	-16.49%
Diluted Earnings per Share (RMB/Share)	0.26	-48.00%	0.81	-16.49%
Weighted Average ROE	3.45%	-4.75%	11.36%	-5.15%
	At the End of the Current Reporting Period	At the End of the Previous Year	Increase/Decrease at the End of the Current Reporting Period Compared with the End of the Previous Year	
Total Assets (RMB)	41,530,189,083.92	36,595,034,080.75	13.49%	
Owners' Equity Attributable to Shareholders of the Listed Company (Unit: RMB)	22,659,120,581.70	19,773,030,426.40	14.60%	

(II) Non-recurring Gains or Losses and Their Amounts

Applicable Not applicable

Unit: RMB

Item	Amount in the Current Reporting Period	The Amount from the Beginning of the Year to the End of the Current Reporting Period
Profits or losses from disposal of non-current assets (including the write-off for the accrued impairment of assets)	19,464,968.29	52,091,462.91
The government subsidies included in the current profits and losses (excluding the government subsidies closely related to regular businesses of the Company, in line with national policies, and consecutively received by a standard quota or quantity)	56,971,239.95	128,060,831.11
Gains or losses from investment or asset management entrusted to others	38,009,608.95	110,959,301.55
Profits and losses resulting from the changes in fair value for holding trading financial assets and trading financial liabilities, and investment income from disposal of trading financial assets, trading financial liabilities, and financial assets available for trading, excluding the effective hedging businesses related to the regular business operation of the Company	-6,466,471.78	71,959,225.75
Non-operating revenue and expenses other than the above	-4,145,081.84	-2,075,738.28
Other gains and losses items that fit the definition of non-recurring gains and losses	5,848.54	175,494.33
Less: Impact of income tax	21,734,984.55	64,705,465.34
Impact of minority equity (after tax)	24,355,684.33	35,131,828.47
Total	57,749,443.23	261,333,283.56

Other gains or losses that fit the definition of non-recurring gains or losses:

Applicable Not applicable

The Company has no other gains or losses that fit the definition of non-recurring gains or losses.

Note for the definition of non-recurring gains and losses set out in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses*, as recurring gains and losses.

Applicable Not applicable

The Company did not define any non-recurring gains and losses set out in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses* as recurring gains and losses.

(III) The Changes in Key Accounting Data and Financial Indicators and the Reasons

Applicable Not applicable

(I) The changes of assets and liabilities and the reasons

1. Trading financial assets increased by 237.08% compared with the end of the previous year, mainly due to changes in the fair value of derivative financial instruments in this period;
2. Prepayments increased by 47.69% compared with the end of the previous year, mainly due to the Company's increased stocking;
3. Other receivables decreased by 37.58% compared with the end of the previous year, mainly due to the collection of RMB360 million equity transfer receivables of the previous year in the period;
4. Inventory increased by 68.08% compared with the end of the previous year, mainly due to the rising price of raw materials, the Company's increased stocking for expansion;
5. Other current assets increased by 112.20% compared with the end of the previous year, mainly due to the reverse repurchase of RMB350 million treasury bonds in the current period compared with the end of the previous year and the increase in input tax to be deducted;
6. Long-term equity investment increased by 138.97% compared with the end of the previous year, mainly due to changes in owners' equity of the Company's associates in the current period, and the recognition of corresponding shares by the Company accordingly according to the shareholding ratio;
7. Other non-current financial assets increased by 164.60% compared with the end of the previous year, mainly due to investment of RMB500 million in new asset management plans in this period;
8. Fixed assets increased by 36.28% compared with the end of the previous year, mainly due to the completion of the Dahua Intelligent (IoT) Industrial Park Construction Project Phase II and its transfer into fixed assets;
9. The right-of-use assets increased by 100% compared with the end of the previous year, mainly due to the implementation of the new lease standards and related statement adjustment in this period.
10. Intangible assets increased by 44.65% compared with the end of the previous year, mainly due to the newly purchased land in this period.
11. Long-term deferred expenses increased by 44.09% compared with the end of the previous year, mainly due to increase in fees for premise decoration in this period;
12. Short-term loans increased by 220.17% compared with the end of the previous year, mainly due to the increase of short-term bank borrowings in this period;
13. Contract liabilities increased by 49.77% compared with the end of the previous year, mainly due to

the increase of contract advances received in this period;

14. The salary payable to employees decreased by 36.38% compared with end of the previous year, mainly due to the issuance of year-end bonus in this period;

15. The taxes payable decreased by 46.48% compared with the end of the previous year, mainly due to the decrease in VAT payable and corporate income tax payable;

16. Other payables decreased by 34.74% compared with the end of the previous year, mainly due to the reduction of obligation to repurchase restricted stocks;

17. Non-current liabilities due within one year increased by 473.12% compared with the end of the previous year, mainly due to the increase in long-term bank borrowings due within one year and lease liabilities due within one year;

18. Long-term borrowings increased by 76.88% compared with the end of the previous year, mainly due to the increase of long-term bank borrowings in this period;

19. Lease liabilities increased by 100% compared with the end of the previous year, mainly due to the implementation of the new lease standards and related statement adjustments in this period;

20. Capital reserve increased by 48.14% compared with the end of the previous year, mainly due to the confirmed increase of other rights and interests of shareholding companies in this period;

21. Treasury shares decreased by 52.37% compared with the end of the previous year, mainly due to the reduction of repurchase obligation due to the unlocking of restricted stocks;

22. Other comprehensive incomes increased by 45.34% compared with the end of the previous year, mainly due to the increase brought by foreign currency statement translation.

(II) The changes of items in the income statement and the reasons

1. Operating revenue increased by 32.90% compared with same period of the previous year, mainly due to expansion of the company's sales scale;

2. Operating cost increased by 43.57% compared with same period of the previous year, mainly due to cost increase arising from rising revenue;

3. Financial expenses decreased by 46.34% compared with same period of the previous year, mainly due to the increase in interest income and the decrease in exchange losses compared with same period of the previous year;

4. Investment income decreased by 113.26% compared with same period of the previous year, mainly due to the decrease of equity transfer income and the increase in investment losses recognized for shareholding companies compared with the same period of the previous year;

5. Income from changes in fair value increased by 768.60% compared with same period of the previous year, mainly due to fair value changes of asset management plans in this period;

6. Credit impairment losses increased by 103.64% compared with same period of the previous year, mainly due to the increase in provision for bad debts accrued in this period compared with the same period of the previous year;

7. Asset impairment losses decreased by 66.11% compared with same period of the previous year, mainly due to the decrease of accrued reserve for stock depreciation in this period compared with the

same period of the previous year;

8. Income from disposal of assets increased by 48262.64% compared with same period of the previous year, mainly due to the increase in fixed assets disposal in this period compared with the same period of the previous year.

(III) The changes of items in the cash flow statement and the reasons

1. The net cash flows from operating activities decreased by 195.69% compared with same period of the previous year, mainly due to the Company's increased stocking in this period;
2. The net cash flows from investment activities decreased by 358.03% compared with same period of the previous year, mainly due to the increase in expenses for acquisition and construction of fixed assets, the increase of net cash outflows from entrusted wealth management and investments in financial derivatives, and decrease in cash received from disposal of subsidiaries in this period compared with the same period of the previous year.

II. Information on Shareholders

(I) The total number of common shareholders, the number of preferred shareholders with restored voting rights and shareholding status of the top 10 shareholders

Unit: share

Total Number of Common Shareholders at The End of The Reporting Period	107,122	Total Number of Preferred Shareholders (If Any) Whose Voting Rights have been Recovered at the End of the Reporting Period	0			
The shareholdings of the top 10 shareholders						
Name of Shareholder	Nature of Shareholder	Shareholding Percentage	Number of Shares Held	Number of Shares Held with Limited Sales Conditions	Pledged, Marked or Frozen Shares	
					State Of Shares	Number
Fu Liquan	Domestic Natural Person	34.18%	1,023,868,980	767,901,735	Pledge	196,127,942
Zhu Jiangming	Domestic Natural Person	5.36%	160,577,490	120,433,117	Pledge	20,300,000
Hong Kong Securities Clearing Co. Ltd.	Overseas Legal Person	4.63%	138,731,267	0		
Chen Ailing	Domestic Natural Person	2.38%	71,262,813	53,447,110	Pledge	21,100,000
Wu Jun	Domestic Natural Person	2.31%	69,250,886	51,938,164		
China Galaxy Securities Co., Ltd.	State-owned Legal Person	1.43%	42,799,551	0		
Industrial and Commercial Bank of China Limited - Zhong Ou China Value Premier Selection Return Hybrid Securities Investment Fund	Others	1.38%	41,483,700	0		
China Securities Finance Co., Ltd.	Domestic Non-state-owned Legal	1.32%	39,611,241	0		

	Person				
Agricultural Bank of China Co., Ltd.- China International Fund Management Emerging Power Hybrid Securities Investment Fund	Others	0.96%	28,866,428	0	
Shanghai Greenwoods Assets Management Co., Ltd. - Greenwoods Global Fund	Others	0.87%	26,096,493	0	
Shareholding List of Top Ten Shareholders Without Limited Sales Condition					
Name of Shareholder	Number of Shares Held without Limited Sales Condition			Type of Shares	
				Type of Shares	Number
Fu Liquan	255,967,245			RMB common stock	255,967,245
Hong Kong Securities Clearing Co. Ltd.	138,731,267			RMB common stock	138,731,267
China Galaxy Securities Co., Ltd.	42,799,551			RMB common stock	42,799,551
Industrial and Commercial Bank of China Limited - Zhong Ou China Value Premier Selection Return Hybrid Securities Investment Fund	41,483,700			RMB common stock	41,483,700
Zhu Jiangming	40,144,373			RMB common stock	40,144,373
China Securities Finance Co., Ltd.	39,611,241			RMB common stock	39,611,241
Agricultural Bank of China Co., Ltd.- China International Fund Management Emerging Power Hybrid Securities Investment Fund	28,866,428			RMB common stock	28,866,428
Shanghai Greenwoods Assets Management Co., Ltd. - Greenwoods Global Fund	26,096,493			RMB common stock	26,096,493
National Social Security Fund 111	24,137,331			RMB common stock	24,137,331
China Merchants Bank Co., Ltd. - Yinhua Xinyi Flexible Allocation Hybrid Securities Investment Fund	22,112,659			RMB common stock	22,112,659
Description of the Association Relationship or Concerted Action of Above-Mentioned Shareholders	Mr. Fu Liquan And Ms. Chen Ailing Are Husband and Wife. The Company Is Unaware of Whether Other Shareholders Have Associated Relationship or Are Persons Acting in Concert.				
Explanation on Top Ten Shareholders' Participation in Securities Margin Trading (If Any)	N/A				

(II) The total number of preferred shareholders and the shareholdings of the top 10 preferred shareholders

Applicable Not applicable

III. Other Significant Matters

Applicable Not applicable

1. On March 26, 2021, the *Proposal on the Company's Plan for the Non-public Issuance of Shares in 2021* and other related proposals were reviewed and approved at the Company's 12th session of the 7th board of directors and the 8th session of the 7th board of supervisors. The company planned to issue

312,151,600 non-public shares, and the total amount of funds raised did not exceed RMB 5.6 billion (inclusive). The target company of this non-public issuance is China Mobile Capital Holdings Co., Ltd., which is the wholly-owned subsidiary of China Mobile Communications Group Co., Ltd.,. Matters related to the non-public issuance have been reviewed and approved by the 2020 shareholders' meeting.

The Company disclosed, respectively on June 3, 2021 and June 17, 2021, the *Announcement on the Acceptance of the Non-public Issuance Application by the CSRC* and the *Announcement on Receiving the First Feedback Given by the CSRC on the Review of Administrative Permits* (Announcement number: 2021-073, 2021-078).

On July 5, 2021, the *Proposal on Adjusting the Company's Plan for the Non-public Issuance of Shares in 2021* and other proposals related to the issuance were reviewed and approved at the Company's 19th session of the 7th board of directors and the 12th session of the 7th board of supervisors. As adjusted, the company planned to issue no more than 288,624,700 non-public shares, and the total amount of funds raised will not exceed RMB 5.1 billion (inclusive). The target company of this non-public issuance is China Mobile Capital Holdings Co., Ltd., which is the wholly-owned subsidiary of China Mobile Communications Group Co., Ltd. On the same day, the Company disclosed the *Reply of Zhejiang Dahua Technology Co., Ltd. to the Feedback on the Application for the Non-public Issuance of Shares*.

The non-public issuance plan can only be implemented after being approved by the CSRC. The announcements above have been disclosed through the designated media Securities Times and Juchao Information Network (<http://www.cninfo.com.cn>).

2. On September 28, 2021, the *Proposal on Preparing the Spin-off Listing of the Holding Subsidiary* was reviewed and approved at the 21st session of the 7th board of directors and the 14th session of the 7th board of supervisors. The Company's board of directors authorized the management to launch the preliminary preparation for the spin-off listing of its holding subsidiary Zhejiang Huarui Technology Co., Ltd. on a domestic stock exchange, which includes but is not limited to verifying the feasibility plan, preparing the listing plan, signing agreements involved in the preparation, and other matters related to the listing, as well as submitting the listing plan and other matters related to the listing respectively to the board of directors and shareholders' meeting for review after the spin-off listing plan is determined. For more details, see the *Indicative Announcement on Preparing the Spin-off Listing of the Holding Subsidiary* (Announcement No.2021-113) disclosed by the Company on September 29, 2021.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Zhejiang Dahua Technology Co., Ltd.

September 30, 2021

Unit: RMB

Item	September 30, 2021	December 31, 2020
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Current Assets:		
Cash and Bank Balances	5,900,823,999.97	7,471,652,634.66
Deposit Reservation for Balance		
Loans to Banks and Other Financial Institutions		
Trading Financial Assets	8,345,068.23	2,475,680.45
Derivative Financial Assets		
Notes Receivable	701,638,559.29	232,857,354.55
Accounts Receivable	13,371,801,715.74	12,857,519,110.16
Receivables Financing	598,769,005.58	1,207,879,654.58
Prepayments	239,634,123.12	162,250,648.05
Premium Receivable		
Reinsurance Accounts Receivable		
Reinsurance Contract Reserves Receivable		
Other Receivables	605,771,161.97	970,427,893.48
Including: Interest Receivable		
Dividends Receivable		
Buying Back the Sale of Financial Assets		
Inventory	8,283,057,482.39	4,928,019,838.00
Contract Assets	85,259,302.29	84,825,834.82
Holding For-sale Assets		
Non-current Assets Due within 1 Year	612,170,843.45	635,956,549.07
Other Current Assets	1,185,003,174.64	558,434,219.93
Subtotal of Current Assets	31,592,274,436.67	29,112,299,417.75
Non-current Assets:		
Granting of Loans and Advances		
Investment in Creditor's Rights		
Investment in Other Creditor's Rights		
Long-term Receivables	2,001,039,216.28	2,250,315,769.50
Long-term Equity Investment	1,089,634,983.73	455,977,616.16
Investment in Other Equity Instruments		
Other Non-current Financial Assets	952,809,855.12	360,087,786.34
Investment Property	321,183,939.71	336,008,869.13
Fixed Assets	2,065,446,363.02	1,515,594,629.97
Projects under Construction	1,471,737,678.05	1,164,130,453.03
Productive Biological Assets		
Oil and Gas Assets		
Right-of-use Assets	255,393,988.22	
Intangible Assets	588,418,323.99	406,777,323.39
Development Expenditure		
Goodwill	42,685,490.30	42,685,490.30
Long-term Deferred Expenses	46,512,381.53	32,280,430.67
Deferred Income Tax Assets	1,011,564,028.24	832,453,676.69
Other Non-current Assets	91,488,399.06	86,422,617.82
Subtotal of Non-current Assets	9,937,914,647.25	7,482,734,663.00
Total Assets	41,530,189,083.92	36,595,034,080.75
Current Liabilities:		

Short-term Loan	800,996,316.75	250,177,083.34
Borrowings from the Central Bank		
Borrowings from Banks and Other Financial Institutions		
Transactional Financial Liabilities		
Derivative Financial Liabilities		
Notes Payable	4,057,933,186.57	3,258,552,758.17
Accounts Payable	6,612,618,680.99	6,444,787,705.28
Received Prepayments		
Contract Liabilities	1,005,120,996.39	671,120,385.08
Financial Assets Sold for Repurchase		
Deposit Taking and Interbank Deposit		
Receiving from Vicariously Traded Securities		
Receiving from Vicariously Sold Securities		
Payroll Payable	1,148,623,235.11	1,805,464,535.31
Tax Payable	481,784,866.40	900,144,863.67
Other Payables	633,378,687.35	970,552,877.22
Including: Interest Payable		
Dividends Payable	16,060,762.89	12,982,399.27
Service Charge and Commission Payable		
Reinsurance Accounts Payable		
Holding For-sale Liabilities		
Non-current Liabilities Due within 1 Year	870,522,409.77	151,891,709.34
Other Current Liabilities	246,359,645.17	209,401,914.77
Subtotal of Current Liabilities	15,857,338,024.50	14,662,093,832.18
Non-current Liabilities:		
Insurance Contract Reserves		
Long-term Loan	1,553,000,000.00	878,000,000.00
Bonds Payable		
Including: Preferred Stocks		
Perpetual Bonds		
Lease Liabilities	144,547,776.98	
Long-term Payables		
Long-term Payroll Payable		
Expected Liabilities	260,155,803.24	282,427,517.82
Deferred Income	105,117,255.53	110,469,806.29
Deferred Income Tax Liabilities	75,145,796.36	67,272,768.46
Other Non-current Liabilities	353,000,628.39	391,128,045.90
Subtotal of Non-current Liabilities	2,490,967,260.50	1,729,298,138.47
Total Liabilities	18,348,305,285.00	16,391,391,970.65
Shareholders' Equity:		
Share Capital	2,994,550,730.00	2,995,579,590.00
Other Equity Instruments		
Including: Preferred Stocks		
Perpetual Bonds		
Capital Reserves	2,947,512,711.28	1,989,655,334.05
Less: Treasury Share	277,169,524.09	581,968,930.89

Other Comprehensive Incomes	88,887,058.73	61,157,523.13
Special Reserves		
Surplus Reserves	1,553,691,005.92	1,553,691,005.92
General Risk Reserves		
Undistributed Profits	15,351,648,599.86	13,754,915,904.19
Total Shareholders' Equity Attributable to the Parent Company	22,659,120,581.70	19,773,030,426.40
Minority Shareholders' Equity	522,763,217.22	430,611,683.70
Total Shareholders' Equity	23,181,883,798.92	20,203,642,110.10
Total Liabilities and Shareholders' Equity	41,530,189,083.92	36,595,034,080.75

Legal representative: Fu Liqian Person in charge of accounting: Xu Qiaofen Person in charge of the accounting institution: Zhu Zhuling

2. Consolidated Income Statement for the Period from the Beginning of the Year to the End of the Reporting Period

Unit: RMB

Item	Amount Occurred in the Current Period	Amount Occurred in the Previous Period
I. Total Operating Revenue	21,485,105,535.26	16,166,204,673.11
Including: Operating Revenue	21,485,105,535.26	16,166,204,673.11
Interest Income		
Earned Premiums		
Service Charge and Commission Income		
II. Total Operating Cost	19,336,098,032.94	14,615,868,742.24
Including: Operating Cost	12,768,127,643.67	8,893,029,099.00
Interest Expenditures		
Service Charge and Commission Expenses		
Surrender Value		
Net Claims Paid		
The Net Amount Withdrawn for Insurance Liability Reserves		
Policyholder Dividend Expense		
Reinsurance Cost		
Taxes and Surcharges	129,966,366.70	101,226,426.00
Sales Expenses	3,336,109,794.23	2,801,268,128.70
Administration expenses	644,478,415.71	560,596,447.94
Research and development expense	2,364,208,725.24	2,086,062,696.34
Financial Expenses	93,207,087.39	173,685,944.26
Including: interest expenses	69,224,790.43	52,037,364.71
Interest Income	165,190,467.12	118,510,356.09
Add: Other Income	701,607,327.67	694,649,909.73
Investment Income (Mark "-" for Loss)	-142,801,874.09	1,076,630,992.13
Including: Investment Income from Affiliates and Joint Ventures	-207,504,221.59	-76,758,388.98
Profits from recognition Termination of Financial Assets at Amortized Cost		
Exchange Gains (Mark "-" for Losses)		
Profit of Net Exposure Hedging (Mark "-" for Loss)		

Incomes from Changes in Fair Value (losses marked with "-")	138,013,394.47	15,889,143.16
Credit Impairment Losses (Mark "-" for Loss)	-442,062,567.25	-217,078,819.11
Asset Impairment Losses (Mark "-" for Loss)	-35,822,007.91	-105,692,735.50
Asset Disposal Income (Mark "-" for Loss)	33,064,078.63	68,366.98
III. Operating Profit (Mark "-" for Loss)	2,401,005,853.84	3,014,802,788.26
Add: Non-operating Revenues	9,559,210.80	8,100,433.16
Less: Non-operating Expenses	12,094,457.42	13,141,979.08
IV. Total Profit (Mark "-" for Total Loss)	2,398,470,607.22	3,009,761,242.34
Less: Income Tax Expense	-12,527,132.44	191,074,833.54
V. Net Profit (Mark "-" for Net Loss)	2,410,997,739.66	2,818,686,408.80
(I) Classified by Operation Continuity		
1. Net Profit as a Going Concern (Mark "-" for Net Loss)	2,410,997,739.66	2,818,686,408.80
2. Net Profit of Discontinued Operation (Mark "-" for Net Loss)		
(II) Classified by the Attribution of Ownership		
1. Net Profit Attributable to the Parent Company's Owner	2,399,047,215.98	2,825,124,363.85
2. Minority Shareholders' Profit and Loss	11,950,523.68	-6,437,955.05
VI. Net Amount of Other Comprehensive Incomes after Tax	27,658,548.27	26,522,004.96
Net Amount of Other Comprehensive Incomes after Tax Attributable to the Parent Company's Owner	27,729,535.60	26,521,962.03
(1) Other Comprehensive Income that Cannot Be Reclassified as P/L		
1. Re-Measure the Variation of The Defined Benefit Plan		
2. Other Comprehensive Income that Cannot Be Transferred To P/L Under the Equity Method		
3. Changes in the Fair Value of Investment in Other Equity Instruments		
4. Changes in the Fair Value of the Credit Risk of The Enterprise		
5. Others		
(II) Other Comprehensive Income that Will Be Reclassified As P/L	27,729,535.60	26,521,962.03
1. Other Comprehensive Income that Can Be Transferred To P/L Under the Equity Method		
2. Changes in The Fair Value of Investment in Other Creditor's Rights		
3. Financial Assets Reclassified into Other Comprehensive Income		
4. Provisions for The Credit Impairment of Investment in Other Creditor's Rights		
5. Cash flow Hedge Reserves		
6. Currency Translation Difference	34,171,086.70	26,521,962.03
7. Others	-6,441,551.10	
Net Amount of Other Comprehensive Incomes After Tax Attributable to Minority Shareholders	-70,987.33	42.93
VII. Total Comprehensive Income	2,438,656,287.93	2,845,208,413.76
Total Comprehensive Income Attributable to the Parent Company's Owner	2,426,776,751.58	2,851,646,325.88
Total Comprehensive Income Attributable to Minority	11,879,536.35	-6,437,912.12

Shareholders		
VIII. Earnings per Share:		
(I) Basic Earnings per Share	0.81	0.97
(II) Diluted Earnings per Share	0.81	0.97

Legal representative: Fu Liqun Person in charge of accounting: Xu Qiaofen Person in charge of the accounting institution: Zhu Zhuling

3. Consolidated Cash Flow Statement for the Period from the Beginning of the Year to the End of the Reporting Period

Unit: RMB

Item	Amount Occurred in the Current Period	Amount Occurred in the Previous Period
I. Cash Flow Generated by Operational Activities:		
Cash from Sales of Merchandise and Provision of Services	23,072,421,222.54	19,198,302,426.38
Net Increase in Customer's Bank Deposits and Interbank Deposits		
Net Increase in Borrowings from the Central Bank		
Net Increase in Borrowings from Other Financial Institutions		
Cash Arising from Receiving Premiums for the Original Insurance Contract		
Net Amount Arising from Reinsurance Business		
Net Increase in Deposits and Investments from Policyholders		
Cash Arising from Interests, Service Charges and Commissions		
Net Increase in Borrowings from Banks and Other Financial Institutions		
Net Increase in Repurchase Business Funds		
Net Amount of Cash Received from the Vicariously Traded Securities		
Tax Refund	1,621,238,401.84	1,572,217,203.40
Other Received Cashes Related to Operational Activities	395,183,997.84	248,856,876.82
Subtotal of cash inflow from operational activities	25,088,843,622.22	21,019,376,506.60
Cash Paid for Merchandise and Services	17,442,233,566.18	12,357,110,067.90
Net Increase in Loans and Advances to Customers		
Net Increase in Deposits with Central Bank and Other Financial Institutions		
Cash Paid for Original Insurance Contract Claims		
Net increase of funds lent		
Cash Paid for Interests, Service Charges and Commissions		
Cash Paid for Policy Dividends		
Cash Paid to and for Employees	5,454,101,974.31	4,412,528,770.59
Cash Paid for Taxes and Surcharges	1,705,099,375.11	1,602,848,395.17
Other Paid Cashes Related to Operational Activities	1,700,704,772.12	1,378,932,526.92
Subtotal of Cash Outflow from Operational Activities	26,302,139,687.72	19,751,419,760.58
Net Cash Flow Generated by Operating Activities	-1,213,296,065.50	1,267,956,746.02
II. Cash Flow from Investment Activities:		

Cash Arising from Disposal of Investments	913,324,136.74	1,013,800,000.00
Cash Arising from Investment Incomes	28,141,454.98	15,466,185.40
Net Cash Arising from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets	48,160,497.82	1,174,856.98
Net Cash Arising from Disposal of Subsidiaries and Other Business Units	360,000,000.00	603,416,723.92
Other Received Cashes Related to Investment Activities	40,401,379.14	87,990,213.91
Subtotal of cash inflow from investment activities	1,390,027,468.68	1,721,847,980.21
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets	872,761,833.74	418,198,952.95
Cash Paid for Investments	1,777,000,000.00	1,495,244,946.22
Net Increase in Pledge Loans		
Net Cash Paid for Acquisition of Subsidiaries and Other Business Units		
Other Paid Cashes Related to Investment Activities	21,546,588.11	88,139,757.17
Subtotal of cash outflows from investment activities	2,671,308,421.85	2,001,583,656.34
Net amount of cash flow generated by investment activities	-1,281,280,953.17	-279,735,676.13
III. Cash Flow from Financing Activities:		
Cash Arising from Absorbing Investments	55,770,784.31	59,440,000.00
Including: Cash Arising from Subsidiaries Absorbing Investments by Minority Shareholders	55,770,784.31	59,440,000.00
Cash Arising from Borrowings	3,775,310,686.97	5,177,593,403.07
Other Received Cashes Related to Financing Activities		3,210,646,359.16
Subtotal of cash inflow from financing activities	3,831,081,471.28	8,447,679,762.23
Cash Paid for Debts Repayment	1,927,003,259.88	3,852,221,214.55
Cash Paid for Distribution of Dividends and Profits or Payment of Interests	854,086,449.21	435,782,912.96
Including: Dividends and Profits Paid to Minority Shareholders by Subsidiaries		
Other Paid Cashes Related to Financing Activities	83,025,300.67	2,931,254,424.60
Subtotal of cash outflow from financing activities	2,864,115,009.76	7,219,258,552.11
Net cash flow generated by financing activities	966,966,461.52	1,228,421,210.12
IV. Impact of Fluctuation in Exchange Rate on Cash and Cash Equivalents	-43,649,597.19	-85,940,173.22
V. Net Increase in Cash and Cash Equivalents	-1,571,260,154.34	2,130,702,106.79
Add: Cash and Cash Equivalents at the Commencement of the Period	7,358,452,769.53	2,734,185,976.41
VI. Cash and Cash Equivalents at the End of the Period	5,787,192,615.19	4,864,888,083.20

(II) Adjustments to the Financial Statements

1. Details of adjustments to the relevant items of the financial statements at the beginning of year due to first implementation of the new lease standards from 2021

Applicable Not applicable

Whether the accounts of the balance sheet at the beginning of the year shall be adjusted

Yes No

Consolidated Balance Sheet

Unit: RMB

Item	December 31, 2020	January 1, 2021	Adjusted amount
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Current Assets:			
Cash and Bank Balances	7,471,652,634.66	7,471,652,634.66	
Deposit Reservation for Balance			
Loans to Banks and Other Financial Institutions			
Trading Financial Assets	2,475,680.45	2,475,680.45	
Derivative Financial Assets			
Notes receivable	232,857,354.55	232,857,354.55	
Accounts receivable	12,857,519,110.16	12,857,519,110.16	
Receivables Financing	1,207,879,654.58	1,207,879,654.58	
Prepayments	162,250,648.05	152,994,874.90	-9,255,773.15
Premium Receivable			
Reinsurance Accounts Receivable			
Reinsurance Contract Reserves Receivable			
Other Receivables	970,427,893.48	968,975,721.11	-1,452,172.37
Including: interest receivable			
Dividends Receivable			
Buying Back the Sale of Financial Assets			
Inventory	4,928,019,838.00	4,928,019,838.00	
Contract Assets	84,825,834.82	84,825,834.82	
Holding For-sale Assets			
Non-current Assets Due within 1 Year	635,956,549.07	635,956,549.07	
Other Current Assets	558,434,219.93	558,536,267.47	102,047.54
Subtotal of Current Assets	29,112,299,417.75	29,101,693,519.77	-10,605,897.98
Non-current Assets:			
Granting of Loans and Advances			
Investment in Creditor's Rights			
Investment in Other Creditor's Rights			
Long-term Receivables	2,250,315,769.50	2,250,315,769.50	
Long-term Equity Investment	455,977,616.16	455,977,616.16	
Investment in Other Equity Instruments			
Other Non-current Financial Assets	360,087,786.34	360,087,786.34	
Investment Property	336,008,869.13	336,008,869.13	
Fixed Assets	1,515,594,629.97	1,515,594,629.97	
Projects under Construction	1,164,130,453.03	1,164,130,453.03	
Productive Biological Assets			
Oil and gas assets			
Right-of-use Assets		155,673,708.67	155,673,708.67
Intangible Assets	406,777,323.39	406,777,323.39	
Development Expenditure			

Goodwill	42,685,490.30	42,685,490.30	
Long-term Deferred Expenses	32,280,430.67	32,280,430.67	
Deferred Income Tax Assets	832,453,676.69	832,453,676.69	
Other Non-current Assets	86,422,617.82	86,422,617.82	
Subtotal of Non-current Assets	7,482,734,663.00	7,638,408,371.67	155,673,708.67
Total Assets	36,595,034,080.75	36,740,101,891.44	145,067,810.69
Current Liabilities:			
Short-term Loan	250,177,083.34	250,177,083.34	
Borrowings from the Central Bank			
Borrowings from Banks and Other Financial Institutions			
Transactional financial liabilities			
Derivative Financial Liabilities			
Notes Payable	3,258,552,758.17	3,258,552,758.17	
Accounts Payable	6,444,787,705.28	6,444,787,705.28	
Received Prepayments			
Contract liabilities	671,120,385.08	671,120,385.08	
Financial Assets Sold for Repurchase			
Deposit Taking and Interbank Deposit			
Receiving from Vicariously Traded Securities			
Receiving from Vicariously Sold Securities			
Payroll Payable	1,805,464,535.31	1,805,464,535.31	
Tax Payable	900,144,863.67	900,144,863.67	
Other Payables	970,552,877.22	970,552,877.22	
Including: Interest Payable			
Dividends Payable	12,982,399.27	12,982,399.27	
Service Charge and Commission Payable			
Reinsurance Accounts Payable			
Holding for-sale Liabilities			
Non-current Liabilities Due within 1 Year	151,891,709.34	210,863,157.61	58,971,448.27
Other Current Liabilities	209,401,914.77	209,401,914.77	
Subtotal of Current Liabilities	14,662,093,832.18	14,721,065,280.45	58,971,448.27
Non-current Liabilities:			
Insurance Contract Reserves			
Long-term Loan	878,000,000.00	878,000,000.00	
Bonds Payable			
Including: Preferred Stocks			
Perpetual Bonds			
Lease Liabilities		86,096,362.42	86,096,362.42
Long-term Payables			
Long-term Payroll Payable			
Expected Liabilities	282,427,517.82	282,427,517.82	

Deferred Income	110,469,806.29	110,469,806.29	
Deferred Income Tax Liabilities	67,272,768.46	67,272,768.46	
Other Non-current Liabilities	391,128,045.90	391,128,045.90	
Subtotal of Non-current Liabilities	1,729,298,138.47	1,815,394,500.89	86,096,362.42
Total Liabilities	16,391,391,970.65	16,536,459,781.34	145,067,810.69
Shareholders' Equity:			
Share Capital	2,995,579,590.00	2,995,579,590.00	
Other Equity Instruments			
Including: Preferred Stocks			
Perpetual Bonds			
Capital Reserves	1,989,655,334.05	1,989,655,334.05	
Less: Treasury Share	581,968,930.89	581,968,930.89	
Other Comprehensive Incomes	61,157,523.13	61,157,523.13	
Special Reserves			
Surplus Reserves	1,553,691,005.92	1,553,691,005.92	
General Risk Reserves			
Undistributed Profits	13,754,915,904.19	13,754,915,904.19	
Total Shareholders' Equity Attributable to the Parent Company	19,773,030,426.40	19,773,030,426.40	
Minority Shareholders' Equity	430,611,683.70	430,611,683.70	
Total Shareholders' Equity	20,203,642,110.10	20,203,642,110.10	
Total Liabilities and Shareholders' Equity	36,595,034,080.75	36,740,101,891.44	145,067,810.69

2. Explanation of retroactive adjustments to the comparative data of the previous period due to first implementation of the new lease accounting standard from 2021

Applicable Not applicable

(III) Audit Report

Whether the Q3 report has been audited.

Yes No

The Q3 report of the Company has not been audited yet.

Board of Directors of Zhejiang Dahua Technology Co., Ltd.

October 30, 2021