



GUANGDONG DONGFANG PRECISION SCIENCE & TECHNOLOGY CO., LTD.

THE REPORT FOR THE THIRD QUARTER OF 2022

The Company as well as all members of the Board of Directors hereby guarantee the factuality, accuracy, and completeness of the information disclosed, and its free of any misrepresentations, misleading statements, or material omissions.

Important Notes:

1. The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Guangdong Dongfang Precision Science & Technology Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy, and completeness of the contents of this Report, and shall be jointly and severally liable for any misrepresentations, misleading statements, or material omissions therein.

2. The Company’s legal representative, the Company’s Chief Financial Officer, and the person-in-charge of the accounting organ hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

3. Whether the 3rd quarter report has been audited

Yes No

The report for the 3rd quarter of 2022 of the Company has been prepared and released in Chinese, and now has been translated into English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

I Key Financial Information

1. Key Financial Data and Indicators

Indicate whether there is any retrospectively restated datum in the table below.

Yes No

	Q3 2022	Change (%)	Q1-Q3 2022	Change (%)
Operating revenue (RMB yuan)	895,261,467.25	-16.42%	2,430,877,101.51	-1.65%
Net profit attributable to the listed company's shareholders (RMB yuan)	24,117,374.49	-81.41%	172,317,292.32	-46.30%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB yuan)	51,027,976.21	-57.37%	170,924,001.50	-38.01%
Net cash generated from/used in operating activities (RMB yuan)	—	—	168,435,727.75	36.15%
Basic earnings per share (RMB yuan /share)	0.02	-80.00%	0.14	-41.67%
Diluted earnings per share (RMB yuan /share)	0.02	-80.00%	0.14	-41.67%
Weighted average return on equity (%)	0.64%	-2.64%	4.72%	-3.23%
	End of this report period	End of previous year	Change (%)	
Total assets (RMB)	6,632,848,851.44	6,357,168,835.19	4.34%	
Equity attributable to the listed company's shareholders (RMB)	3,747,585,509.91	3,681,970,298.39	1.78%	

2. Non-recurring profit and loss items and amount

Applicable Not applicable

Unit: RMB

Item	Q3 2022	Q1-Q3 2022	Notes
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	567,285.41	199,703.10	
Government subsidies included in current profit or loss (exclusive of government grants given in the Company's ordinary course of business at fixed quotas or amounts as per the government's uniform standards)	4,751,539.26	10,783,803.62	
Gain or loss on fair-value changes on held-for-trading and derivative financial assets and liabilities & income from disposal of held-for-trading and derivative financial assets and liabilities and other debt investments (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	-33,735,842.03	-10,310,817.19	
Non-Operating Revenue and expenses other than the above	281,211.09	734,455.15	

Item	Q3 2022	Q1-Q3 2022	Notes
Less: Income tax effects	-1,575,483.65	-577,867.36	
Non-controlling interests effects (net of tax)	350,279.10	591,721.22	
Total	-26,910,601.72	1,393,290.82	--

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

Applicable Not applicable

No such cases for the Reporting Period.

Note of the reclassification of non-recurring items of profit or loss listed in "Explanatory Announcement No. 1 on Disclosure of Information by Companies Issuing Public Securities - Non-recurring Profit or Loss" as recurring items of profit or loss:

Applicable Not applicable

No such cases for the Reporting Period.

3. Changes in Key Financial Data and Indicators and the Reasons

√Applicable □ Not applicable

Unit: RMB

(1) Balance sheet items

Items	30 September 2022	1 January 2022	Amount of Change	Rate of Change	Notes
Currency funds	1,107,296,435.97	1,664,336,339.35	-557,039,903.38	-33.47%	Mainly due to the implementation of share repurchase, acquisition of equity interest in Shenzhen Wand and payment for external investment by the Company during January-September 2022.
Notes receivable	26,386,932.52	13,272,025.04	13,114,907.48	98.82%	Mainly due to the increase in settlement of the Company's notes during January-September 2022.
Financing of receivables	54,351,960.68	30,692,449.25	23,659,511.43	77.09%	Mainly due to the increase in settlement of the Company's notes during January-September 2022.
Prepayments	83,589,685.96	34,177,802.36	49,411,883.60	144.57%	Mainly due to the increase in the Company's orders and the corresponding increase in material purchases during the period from January to September 2022.
Inventory	1,269,626,762.86	867,280,013.47	402,346,749.39	46.39%	Mainly due to the increase in inventory reserve as a result of the increase in the Company's sales orders during January-September 2022.
Non-current assets due within one year	308,652,500.00	108,385,000.00	200,267,500.00	184.77%	Mainly due to the reclassification of other non-current assets to non-current assets due within one year.
Other current assets	67,475,151.88	32,124,006.99	35,351,144.89	110.05%	Mainly due to the increase in retained value-added tax credits and prepaid taxes.
Other non-current financial assets	269,240,755.21	162,523,519.41	106,717,235.80	65.66%	Mainly due to the increase in foreign investment.
Construction in progress	45,434,466.05	12,298,259.58	33,136,206.47	269.44%	Mainly due to the increase in investment in the construction of plants.
Goodwill	446,757,777.27	306,969,147.76	139,788,629.51	45.54%	Mainly due to the acquisition of equity interest in Shenzhen WAND during January to September 2022.
Other non-current assets	66,479,187.87	304,596,841.54	-238,117,653.67	-78.17%	Mainly due to reclassification of other non-current assets to non-current assets due within one year.
Short-term loans	117,608,403.96	228,312,880.73	-110,704,476.77	-48.49%	Mainly due to partial repayment of loans.
Financial liabilities for trading	57,187,097.25	110,746,939.04	-53,559,841.79	-48.36%	Mainly due to the derecognition of the corresponding put option due to the acquisition of minority interest in a holding company by the Company during January-

					September 2022.
Contract liabilities	819,901,134.61	405,842,932.51	414,058,202.10	102.02%	Mainly due to the increase in sales orders and the increase in advance receipts during the period from January to September 2022.
Taxes payable	26,247,711.58	60,701,346.24	-34,453,634.66	-56.76%	Mainly due to the payment of taxes and fees.
Non-current liabilities due within one year	289,600,294.59	38,495,724.83	251,104,569.76	652.29%	Mainly due to reclassification of certain long-term loans.
Long-term borrowings	70,295,037.83	325,026,188.49	-254,731,150.66	-78.37%	Mainly due to reclassification of loans due within one year.
Treasury stock	684,696,272.50	494,335,503.94	190,360,768.56	38.51%	Mainly due to the repurchase of shares by the Company during January-September 2022.

(2) Income statement items

Items	Q1-Q3 2022	Q1-Q3 2021	Amount of Change	Rate of Change	Notes
Impairment loss on assets	-8,240,821.46	-3,577,852.62	-4,662,968.84	130.33%	Mainly due to the increase in provision for decline in value of inventories during January-September 2022.
Investment income	9,075,220.66	83,707,643.47	-74,632,422.81	-89.16%	Mainly due to the decrease in gain on investment in securities recognized by the Company during January-September 2022.
Gain on changes in fair value	-17,745,079.57	19,786,150.60	-37,531,230.17	-189.68%	Mainly due to the decrease in fair value changes related to investments in securities recognized by the Company during the period from January to September 2022.

(3) Cash flow statement items

Items	Q1-Q3 2022	Q1-Q3 2021	Amount of Change	Rate of Change	Notes
Net cash generated from/used in operating activities	168,435,727.75	123,716,021.96	44,719,705.79	36.15%	Mainly due to the combined effect of the increase in advance receipts due to the increase in the Company's sales orders and the increase in cash paid for purchase preparation in January-September 2022.
Net cash generated from/used in investing activities	-322,513,942.25	981,796,242.31	-1,304,310,184.56	-132.85%	Mainly due to the Company's acquisition of equity interest in Shenzhen Wand and payment for foreign investment from January to September 2022.
Net cash generated from/used in financing activities	-36,322,583.60	-660,397,880.45	624,075,296.85	94.50%	Mainly due to the combined effect of the Company's payment for share repurchase and the recovery of loan deposits from January to September 2022.

II Shareholder Information

1. Total Number of Ordinary Shareholders and Number of Preference Shareholders with Resumed Voting Rights, as well as Information of Top 10 Shareholders

Unit: shares

Number of ordinary shareholders at the period-end		55,391		Number of preference shareholders with resumed voting rights at the period-end (if any)		Not applicable	
Top 10 shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Restricted shares held	Shares in pledge or frozen		
					Status	Shares	
Tang Zhuolin	Domestic individual	20.41%	270,737,568	203,053,176	In pledge	135,360,000	
Tang Zhuomian	Domestic individual	7.30%	96,885,134	0	In pledge	10,000,000	
Pulead Technology Industry Co., Ltd.	State-owned corporation	3.63%	48,149,787	0			
Luzhou Industrial Development Investment Group Co., Ltd.	State-owned corporation	2.40%	31,770,010	0			
Qinghai Puren Intelligent Technology R & D Center (Limited Partnership)	Domestic non-state-owned corporation	2.01%	26,628,340	0			
Qiu Yezhi	Domestic individual	1.76%	23,382,388	17,536,791			
Shengji Equity Investment Fund (Shanghai) Co., Ltd.	State-owned corporation	1.48%	19,607,843	0	In pledge	19,607,843	
JIC Investment Co., Ltd.	State-owned corporation	0.98%	12,984,216	0			
Huarong Securities — China Merchants Securities — Huarong Youzhi Collective Asset Management Plan No. 1	Fund and wealth management Product	0.96%	12,705,624	0			
Beixin Ruifeng Fund - Pudong Development Bank - Beijing International Trust - Beijing Trust - Light Salt Harvest Wealth Management 2015015 Pooled Fund Trust Plan	Fund and wealth management Product	0.82%	10,818,183	0			
Top 10 unrestricted ordinary shareholders							
Name of shareholder	Unrestricted shares held at the period-end			Shares by type			
				Type	Shares		
Tang Zhuomian	96,885,134			RMB ordinary shares	96,885,134		

Tang Zhuolin	67,684,392	RMB ordinary shares	67,684,392
Pulead Technology Industry Co., Ltd.	48,149,787	RMB ordinary shares	48,149,787
Luzhou Industrial Development Investment Group Co., Ltd.	31,770,010	RMB ordinary shares	31,770,010
Qinghai Puren Intelligent Technology R & D Center (Limited Partnership)	26,628,340	RMB ordinary shares	26,628,340
Shengji Equity Investment Fund (Shanghai) Co., Ltd.	19,607,843	RMB ordinary shares	19,607,843
JIC Investment Co., Ltd.	12,984,216	RMB ordinary shares	12,984,216
Huarong Securities—China Merchants Securities—Huarong Youzhi Collective Asset Management Plan No. 1	12,705,624	RMB ordinary shares	12,705,624
Beixin Ruifeng Fund - Pudong Development Bank - Beijing International Trust - Beijing Trust - Light Salt Harvest Wealth Management 2015015 Pooled Fund Trust Plan	10,818,183	RMB ordinary shares	10,818,183
Huang Binglong	7,000,000	RMB ordinary shares	7,000,000
Related or acting-in-concert parties among the shareholders above	Tang Zhuolin and Tang Zhuomian are full brothers. On 18 August 2010, they signed the Agreement on Acting in Concert. Pulead Technology Industry Co., Ltd., and Qinghai Puren Intelligent Technology R & D Center (Limited Partnership) are acting-in-concert parties. Except for these, the Company does not know whether the other shareholders are related parties or whether they are acting-in-concert parties in accordance with the Measures for the Administration of acquisitions of listed companies.		
Note on the top 10 shareholders' participation in securities margin trading (if any)	As of 30 September 2022, Pulead Technology Industry Co., Ltd., held 48,149,665 shares through the credit securities account. And Luzhou Industrial Development Investment Group Co., Ltd., held 31,770,010 shares through the credit securities account, as well as Qinghai Puren Intelligent Technology R & D Center (Limited Partnership) held 26,628,300 shares through the credit securities account. And Huang Binglong, held 7,000,000 shares through the credit securities account.		

Explanation on the shareholding of the repurchase account

As of the close of business on September 30, 2022, the number of shares held by the Company's repurchase special account was 106,652,136 shares, accounting for 8.04% of the total share capital as of the close of business on September 30, 2022. The Company completed the cancellation of 85,321,704 repurchased shares on October 10, 2022. As of the Disclosure Date (October 26, 2022), the number of shares held by the Company's repurchase special account was 21,330,432 shares, representing 1.72% of the total share capital of the Company as of October 26, 2022.

2. Total Number of Preference Shareholders and Information of Top 10 Preference Shareholders

Applicable Not applicable

III Other Significant Events

Applicable Not applicable

1. Completion of implementation of share repurchase

At the close of business on September 22, 2022, the implementation period of the share repurchase program launched by the

Company in September 2021 expired and the implementation of the share repurchase was completed. During the 12-month implementation period, the Company repurchased a total of 106,652,136 shares from the secondary market through centralized competitive trading, and the cumulative amount paid for the repurchased shares was approximately RMB551 million. The source of funds, amount of funds, repurchase price, repurchase quantity and repurchase implementation time interval for the repurchased shares did not differ from the share repurchase program considered and approved by the Board of Directors and the General Meeting of Shareholders of the Company.

For details, please refer to the "Announcement on the Completion of the Implementation of Share Repurchase and Changes in Shares" disclosed by the Company on September 24, 2022 (published on www.cninfo.com.cn).

2. Completion of the implementation of the cancellation of part of the repurchased shares

Under the share repurchase program completed on September 22, 2022, the designated uses of the repurchased shares were: 80% of the total number of repurchased shares and 85,321,704 shares were used for cancellation and reduction of the registered capital of the Company; 20% of the total number of repurchased shares and 21,330,432 shares were used for share incentive or employee stock ownership plan. As confirmed by China Securities Depository and Clearing Corporation, Shenzhen Branch, the Company completed the cancellation of 85,321,704 repurchased shares, which is accounting for 80% of the total number of repurchased shares on October 10, 2022.

In addition, on 26 July 2022, the Company completed the cancellation of 5,510,063 repurchased public shares, which were sourced from the share repurchase program implemented and completed by the Company during the period from 2018 to 2019, and which were not used for the designated purpose within three years from the completion of such share repurchase program since July 2019. The Company proceeded with the cancellation in accordance with the law.

Upon completion of the cancellation of the above two batches of repurchased shares, the total share capital of the Company was reduced by a total of 90,831,767 shares, and the total share capital of the Company as of the Disclosure Date of this report for disclosure (October 26, 2022) was 1,241,106,400 shares, representing a decrease of approximately 9.3% as compared to the total number of shares before cancellation.

For details, please refer to the "Announcement on Completion of Cancellation of Repurchased Shares and Changes in Shares" disclosed by the Company on July 28, 2022, and October 12, 2022, respectively (published on www.cninfo.com.cn).

IV Quarterly Financial Statements

1. Financial Statements

(1) Consolidated Balance Sheet

Prepared by: Guangdong Dongfang Precision Science & Technology Co., Ltd.

30 September 2022

Unit: RMB

Item	30 September 2022	1 January 2022
Current assets:		
Cash and bank balances	1,107,296,435.97	1,664,336,339.35
Settlement provisions		
Dismantling funds		
Financial assets held for trading	882,702,130.81	788,185,521.57
Derivative financial assets		
Notes receivable	26,386,932.52	13,272,025.04

Item	30 September 2022	1 January 2022
Accounts receivable	743,907,414.64	741,135,648.09
Receivable financing	54,351,960.68	30,692,449.25
Prepayments	83,589,685.96	34,177,802.36
Premium receivable		
Receivable reinsurance account		
Provision for reinsurance contract receivable		
Other receivables	71,951,322.58	71,363,166.84
Including: Interest receivable		
Dividend receivable		
Buy back resale financial assets		
Inventories	1,269,626,762.86	867,280,013.47
Contract assets		24,414,117.64
Assets held for sale		
Current portion of non-current assets	308,652,500.00	108,385,000.00
Other current assets	67,475,151.88	32,124,006.99
Total current assets	4,615,940,297.90	4,375,366,090.60
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investments		
Long-term receivables		143,750.00
Long-term equity investment	86,432,649.02	84,777,596.67
Investment in other equity instruments		
Other non-current financial assets	269,240,755.21	162,523,519.41
Real estate investment		
Fixed assets	536,716,329.13	544,180,159.09
Construction in progress	45,434,466.05	12,298,259.58
Productive biological assets		
Oil and gas asset		
Right-of-use assets	88,481,050.02	80,386,832.91
Intangible assets	296,076,259.47	293,718,987.62
Development expenditure		
Goodwill	446,757,777.27	306,969,147.76
Long-term prepaid expenses	12,929,836.57	11,962,127.07
Deferred tax assets	168,360,242.93	180,245,522.94
Other non-current assets	66,479,187.87	304,596,841.54
Total non-current assets	2,016,908,553.54	1,981,802,744.59
Total assets	6,632,848,851.44	6,357,168,835.19

Item	30 September 2022	1 January 2022
Current liabilities:		
Short-term borrowings	117,608,403.96	228,312,880.73
Borrowing from the Central Bank		
Borrowed funds		
Financial liabilities held for trading	57,187,097.25	110,746,939.04
Derivative financial liabilities		
Notes payable	159,941,712.34	149,191,690.00
Accounts payable	622,438,253.82	619,265,856.18
Advance receivables		
Contract liabilities	819,901,134.61	405,842,932.51
Selling back financial assets		
Deposits and Interbank deposit		
Agent trading securities		
Agent underwriting securities		
Employee benefits payable	95,737,445.09	103,809,783.58
Tax payable	26,247,711.58	60,701,346.24
Other payables	105,582,412.01	100,018,273.09
Including: Interest payable		
Dividend payable		
Fees and commissions		
Reinsurance accounts payable		
Liabilities held for sale		
Current portion of non-current liabilities	289,600,294.59	38,495,724.83
Other current liabilities	9,915,640.52	12,836,473.00
Total current liabilities	2,304,160,105.77	1,829,221,899.20
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	70,295,037.83	325,026,188.49
Bonds payable		
Including: Preference Shares		
Perpetual bonds		
Lease liabilities	64,105,932.91	65,213,555.87
Long-term payables		
Long-term employee benefits payable	11,992,862.98	16,083,170.32
Provisions	100,945,597.38	117,932,721.59
Deferred income	11,352,816.66	12,190,311.66
Deferred tax liabilities	2,610,713.55	1,747,137.95
Other non-current liabilities	135,250,065.36	136,178,304.44
Total non-current liabilities	396,553,026.67	674,371,390.32

Item	30 September 2022	1 January 2022
Total Liabilities	2,700,713,132.44	2,503,593,289.52
Equity:		
Share capital	1,326,428,104.00	1,331,938,167.00
Other equity instruments		
Including: Preference Shares		
Perpetual bonds		
Capital surplus	3,313,916,830.91	3,238,765,859.94
Less: Treasury stock	684,696,272.50	494,335,503.94
Other comprehensive income	-20,878,858.89	-33,322,662.98
Special reserve	12,826,614.89	11,252,639.19
Surplus reserves	51,830,974.45	51,830,974.45
General risk preparation		
Retained earnings	-251,841,882.95	-424,159,175.27
Total equity attributable to owners of the parent	3,747,585,509.91	3,681,970,298.39
Non-controlling interests	184,550,209.09	171,605,247.28
Total equity	3,932,135,719.00	3,853,575,545.67
Total liabilities and equity	6,632,848,851.44	6,357,168,835.19

Legal representative: Tang Zhuolin, Chief Financial Officer: Shao Yongfeng, Person-in-charge of the accounting organ: Yao Bin

(2) Consolidated Income Statement for Q1 - Q3 2022

Unit: RMB

Item	Q1 - Q3 2022	Q1 - Q3 2021
1 Total operating revenue	2,430,877,101.51	2,471,728,553.53
Including: Operating revenue	2,430,877,101.51	2,471,728,553.53
Interest income		
Premiums earned		
Fee and commission income		
2 Total operating cost	2,181,012,828.57	2,179,275,730.20
Including: Cost of sales	1,799,559,740.41	1,755,193,255.34
Interest expense		
Payment of fees and commission		
Surrender fund		
Net indemnity expenditure		
Draw the net reserve of insurance liability contract		
Policy dividend expense		
Reinsurance cost		
Taxes and surcharges	8,804,294.91	8,315,762.65

Item	Q1 - Q3 2022	Q1 - Q3 2021
Selling expenses	110,439,583.77	148,295,933.98
Administrative expenses	211,114,440.03	201,190,092.94
R&D expenses	69,233,420.51	72,900,003.34
Finance costs	-18,138,651.06	-6,619,318.05
Including: Interest expenses	7,768,835.81	8,801,348.95
Interest income	13,284,771.87	18,468,389.42
Add: Other income	10,783,803.62	8,886,009.32
Investment income (loss with "-" sign)	9,075,220.66	83,707,643.47
Including: Share of profit or loss of joint ventures and associates	1,640,958.28	2,653,965.06
Income from derecognition of financial assets measured at amortized cost (loss with "-" sign)		
Exchange gain (loss with "-" sign)		
Net exposure hedging gain (loss with "-" sign)		
Gain/loss on changes in fair value (loss with "-" sign)	-17,745,079.57	19,786,150.60
Credit impairment loss (loss is listed with "-" sign)	570,166.71	1,177,069.04
Asset impairment loss (loss with "-" sign)	-8,240,821.46	-3,577,852.62
Gain/loss on disposal of assets (loss with "-" sign)	-169,039.14	254,557.45
3 Operating profit (losses are listed with "-" sign)	244,138,523.76	402,686,400.59
Add: Non-operating income	1,568,768.68	3,624,142.99
Less: Non-operating expenses	834,313.53	903,376.53
5 Gross profit (the gross loss shall be filled in with the sign "-")	244,872,978.91	405,407,167.05
Less: Income tax expenses	52,557,877.53	68,984,134.76
Net profit (net loss is listed with "-" sign)	192,315,101.38	336,423,032.29
(1) Net profit from continuing operations		
i. Net profit from continuing operations (net loss with "-" sign)	192,315,101.38	336,423,032.29
ii. Net profit from termination of operation (net loss with "-" sign)		
(2) Net profit classified by attribution of ownership		
i. Net profit attributable to owners of the parent	172,317,292.32	320,871,722.10
ii. Net profit attributable to non-controlling interests	19,997,809.06	15,551,310.19
6 Other comprehensive income/(loss), net of tax	8,631,564.33	-31,058,230.51
Other comprehensive income/(loss) attributable	12,443,804.09	-28,154,723.48

Item	Q1 - Q3 2022	Q1 - Q3 2021
to owners of the parent, net of tax		
(1) Other comprehensive loss that will not be reclassified to profit or loss	919,271.17	-191,341.26
i. Changes caused by remeasurements on defined benefit schemes	919,271.17	-191,341.26
ii. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
iii. Changes in fair value of investments in other equity instruments		
iv. Fair value change of enterprise's own credit risk		
v. Other		
(2) Other comprehensive income/(loss) that will be reclassified to profit or loss	11,524,532.92	-27,963,382.22
i. Other comprehensive income that can be transferred to profit or loss under the equity method		
ii. Changes in fair value of other debt investments		
iii. The amount of financial assets reclassified to other comprehensive income		
iv. Provision for credit impairment of other debt investments		
v. Cash flow hedging reserve		
vi. Differences arising from the translation of foreign currency-denominated financial statements	11,524,532.92	-27,963,382.22
vii. Other		
Other comprehensive income attributable to non-controlling interests, net of tax	-3,812,239.76	-2,903,507.03
Total comprehensive income	200,946,665.71	305,364,801.78
Total comprehensive income attributable to owners of the parent	184,761,096.41	292,716,998.62
Total comprehensive income attributable to non-controlling interests	16,185,569.30	12,647,803.16
Earnings per share:		
(1) Basic earnings per share	0.14	0.24
(2) Diluted earnings per share	0.14	0.24

Legal representative: Tang Zhuolin, Chief Financial Officer: Shao Yongfeng, Person-in-charge of the accounting organ: Yao Bin

(3) Consolidated Statement of Cash Flows for Q1 - Q3 2022

Unit: RMB

Item	Q1 - Q3 2022	Q1 - Q3 2021
1 Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	2,821,088,548.15	2,382,779,347.81
Net increase in customer deposits and interbank deposits		
Net increase in borrowing from the central bank		
Net increase in funds transferred to other financial institutions		
Cash received from the premium of the original insurance contract		
Net cash received from reinsurance business		
Net increase in depositors' deposits and investment funds		
Cash that collects interest, commission and commission		
Net increase in borrowed funds		
Net increase in funds for repurchase business		
Net cash received by agents buying and selling securities		
Receipts of taxes and surcharges refunds	48,677,542.53	40,051,710.51
Cash generated from other operating activities	42,720,718.95	39,581,691.59
Subtotal of cash generated from operating activities	2,912,486,809.63	2,462,412,749.91
Payments for goods and services	1,955,131,223.15	1,630,409,017.32
Net increase in customer loans and advances		
Net increase in central bank and interbank deposits		
Cash to pay the indemnity of the original insurance contract		
Net increase in loan funds		
Cash for the payment of interest, fees and commissions		
Cash for the payment of policy dividends		
Cash payments to and on behalf of employees	435,275,683.75	409,726,364.04
Payments of all types of taxes and surcharges	97,860,534.42	64,912,293.11
Cash used in other operating activities	255,783,640.56	233,649,053.48
Subtotal of cash used in operating activities	2,744,051,081.88	2,338,696,727.95
Net cash generated from/used in operating activities	168,435,727.75	123,716,021.96
2 Cash flows from investing activities:		
Proceeds from disinvestment	4,213,816,412.95	4,446,989,916.65
Investment income	32,956,946.59	94,953,231.61
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	514,643.30	584,797.70
Disposal of net cash received by subsidiaries and other business units		
Cash generated from other investing activities	735,039.91	2,434,405.65
Subtotal of cash generated from investing activities	4,248,023,042.75	4,544,962,351.61

Item	Q1 - Q3 2022	Q1 - Q3 2021
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	124,076,109.92	45,944,656.39
Payments for investments	4,307,288,859.03	3,517,221,452.91
Net increase in pledged loans		
Obtain net cash paid by subsidiaries and other business units	139,172,016.05	
Cash used in other investing activities		
Subtotal of cash used in investing activities	4,570,536,985.00	3,563,166,109.30
Net cash generated from/used in investing activities	-322,513,942.25	981,796,242.31
3 Cash flows from financing activities:		
Absorb the cash received by the investment		100,000,000.00
Including: the subsidiary absorbs the cash received from the investment of minority shareholders		
Borrowings raised	289,036,795.45	415,719,289.31
Cash generated from other financing activities	691,069,966.87	89,711,220.71
Subtotal of cash generated from financing activities	980,106,762.32	605,430,510.02
Repayment of borrowings	409,750,318.61	286,140,449.72
Interest and dividends paid	6,847,827.14	9,190,374.80
Including: Interest and dividends paid to minority shareholders		
Cash used in other financing activities	599,831,200.17	970,497,565.95
Subtotal of cash used in financing activities	1,016,429,345.92	1,265,828,390.47
Net cash generated from/used in financing activities	-36,322,583.60	-660,397,880.45
4 Effect of foreign exchange rates changes on cash and cash equivalents	15,250,110.14	-30,078,848.75
5 Net (decrease)/increase in cash and cash equivalents	-175,150,687.96	415,035,535.07
Add: Cash and cash equivalents, beginning of the period	1,259,303,775.74	860,601,236.78
6 Cash and cash equivalents, end of the period	1,084,153,087.78	1,275,636,771.85

Legal representative: Tang Zhuolin, Chief Financial Officer: Shao Yongfeng, Person-in-charge of the accounting organ: Yao Bin

2. Audit Report

Whether the Report has been audited

Yes No

The report for the third quarter of 2022 of the Company has not been audited.

Board of Directors
of
Guangdong Dongfang Precision Science & Technology Co., Ltd.
25 October 2022