

Stock Code: 002607 Stock Abbr.: OFFCN EDU Announcement No.: 2022-044

OFFCN EDUCATION TECHNOLOGY CO., LTD.

First Quarter 2022 Report

The Company and the Company's Board of Directors hereby guarantee that the contents of this quarterly report are true, accurate, and complete, and that there are no misrepresentations, misleading statements, or material omissions.

The Company's First Quarter 2022 Report is prepared and published in Chinese version, and the English version is for reference only. Should there be any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

Important notes:

1. The Company's Board of Directors, Supervisory Committee, directors, supervisors, and senior management hereby guarantee that the contents of this quarterly report are true, accurate, and complete, and there are no misrepresentations, misleading statements, or material omissions, and shall assume individual and joint legal liabilities.

2. The Company's legal representative, the head in charge of accounting and the head of the accounting department (Accounting supervisor), hereby declare that the financial report in this quarterly report is authentic, accurate and complete.

3. Whether this first quarter report is audited

Yes No

Section I. Key financial data

1. Key accounting information and financial indicators

Does the Company need to adjust its financial information retrospectively or restate its accounting information of previous year?

Yes No

	Current reporting period	Same period of the previous year	Increase/ Decrease in the current reporting period over the same period of the previous year

Operating income (RMB yuan)	1,212,740,311.93	2,051,691,383.47	-40.89%
Net profit attributable to shareholders of the listed Company (RMB yuan)	-463,824,594.93	140,729,639.84	-429.59%
Net profit after deducting non-recurring profits and losses attributable to shareholders of the listed Company (RMB yuan)	-469,727,159.08	92,213,329.43	-609.39%
Net cash flow from operating activities (RMB yuan)	598,889,061.73	-246,724,873.67	342.74%
Basic earnings per share (RMB yuan/share)	-0.08	0.02	-500.00%
Diluted earnings per share (RMB yuan/ share)	-0.08	0.02	-500.00%
Weighted average return on net assets	-27.99%	3.24%	-31.23%
	End of the current reporting period	End of the previous year	Increase/ Decrease at the end of this reporting period over the end of the previous year
Total assets (RMB yuan)	9,200,482,823.27	10,305,183,525.70	-10.72%
Owner's equity attributable to shareholders of the listed Company (RMB yuan)	1,424,994,159.27	1,888,818,754.20	-24.56%

2. Items and amount of non-recurring profits and losses

✓ Applicable Not applicable

Unit: RMB yuan

Item	Amount of current reporting period	Description
Government subsidies included in the current gains and losses (closely related to the normal business of the enterprise, except for government subsidies enjoyed fixedly, quantitatively and continuously in accordance with national policies and certain standards)	1,220,048.81	
Profits or losses from entrusting others to invest or manage assets	2,749,712.23	
Profits and losses on changes in fair value arising from the possession of transactional financial assets, transactional financial liabilities, and the investment income from the disposal of transactional financial assets, transactional financial liabilities and available-for-sale financial assets, except the effective hedging business related to the Company's normal business operations.	2,674,975.31	
Other non-operating income and expenses except for the items above	-152,921.74	
Less: Impact on income tax	589,250.46	
Total	5,902,564.15	--

Other profit or loss items that meet the definition of non-recurring profits and losses

Applicable Not applicable

The Company does not have other profit or loss items that meet the definition of non-recurring profits and losses.

Explanations for the Company's classifying items of non-recurring profits or losses listed in the Explanatory Announcement No. 1 for Public Company Information Disclosures – Non-recurring Profits and Losses as items of recurring profits or losses.

Applicable Not applicable

The Company does not classify any non-recurring profits and losses items that are listed in the Explanatory Announcement No. 1 for Public Company Information Disclosures – Non-recurring Profits and Losses as items of recurring profits and losses.

3. Cases and reasons for fluctuation of key accounting information and financial indicators

Applicable Not Applicable

Item of balance sheet	Amount at the end of the reporting period (RMB yuan)	Amount at the beginning of the reporting period (RMB yuan)	Growth	Note
Monetary funds	1,129,779,804.27	1,970,361,272.64	-42.66%	Mainly due to the repayment of short-term loans in the current period
Transactional financial assets	118,374,738.18	346,726,621.74	-65.86%	Mainly due to the maturity redemption of wealth management products
Other current assets	22,946,171.86	36,959,129.80	-37.91%	Mainly due to the increase of prepaid expenses
Short-term loans	1,651,209,492.99	3,152,945,812.59	-47.63%	Mainly due to the repayment of short-term loans in the current period
Contract liabilities	4,034,759,242.27	3,063,721,290.28	31.69%	Mainly due to the increase of collecting training fees from civil servant recruitment and post-graduate examinations in the first quarter of 2022
Tax payable	28,432,694.84	12,566,751.84	126.25%	Mainly due to accrued VAT and additional tax on the income of first quarter of 2022
Other current liabilities	121,042,777.27	91,925,853.39	31.67%	Mainly due to the increase in the balance of contract liabilities at the end of the first quarter of 2022
Item of income statement	Amount of current period (RMB yuan)	Amount of previous period (RMB yuan)	Growth	Note
Operating income	1,212,740,311.93	2,051,691,383.47	-40.89%	Mainly due to the pandemic prevention and control, the number of offline classes in the first quarter of 2022 was reduced compared with the same period of the previous year, as well as the postponement of the multi-provincial joint examination of civil servant recruitment
Taxes and surcharges	8,798,438.13	3,125,104.09	181.54%	Mainly due to the tax incentives in the same period of the previous year
Financial expense	69,571,481.28	108,656,990.19	-35.97%	Mainly due to the decrease in interest expense on short-term loans in the current period
Other income	8,268,197.61	60,454,036.43	-86.32%	Mainly due to the tax incentives included in other income in the same period of the previous year

Investment income	2,755,592.22	32,350,483.88	-91.48%	Mainly due to the decrease in income from wealth management products and fixed time deposit redemption
Credit impairment loss	-1,005,625.25	-239,123.84	320.55%	Mainly due to the increase in accounts receivable and the increase in accrued bad debt
Income tax expense	-81,122,491.94	24,090,187.92	-436.74%	Mainly due to the accrual of deferred income tax assets in the current period
Item of cash flow statement	Amount of current period (RMB yuan)	Amount of previous period (RMB yuan)	Growth	Note
Other cash received related to operating activities	22,063,195.70	8,365,632.60	163.74%	Mainly due to the recovery of deposits in the current period
Cash for purchasing goods and labor services	210,528,840.27	389,263,578.68	-45.92%	Mainly due to the impact of the pandemic in many provinces and cities, the number of offline classes in the current period was reduced and operational cost and spending decreased
Cash paid to and for employees	1,224,818,887.78	1,788,537,241.10	-31.52%	Mainly due to the reduction of the Company's personnel and the impact of operating losses on the performance incentives of employees
Taxes paid	25,331,722.29	81,728,859.56	-69.01%	Mainly due to the loss in the fourth quarter of the previous year and the non-payment of enterprise income tax in this quarter
Cash received from recovery of investments	344,776,858.87	4,234,310,000.00	-91.86%	Mainly due to the decrease in short-term wealth management purchases in the current period and the corresponding reduction in wealth management redemptions
Cash received from investment income	2,764,585.77	11,192,589.09	-75.30%	Mainly due to the decrease in short-term wealth management purchases in the current period and the corresponding decrease in redemptions

Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	8,768,861.04	2,774,248,578.57	-99.68%	Mainly due to the purchase of land use rights in the same period of the previous year
Cash paid for investment	116,700,000.00	4,226,550,000.00	-97.24%	Mainly due to the decrease in short-term wealth management purchases in the current period
Cash received from the loan	-	2,670,000,000.00	-100.00%	Mainly due to zero new short-term loans in the current period
Cash paid for dividends, profits, or interest payments	26,787,416.64	46,324,162.51	-42.17%	Mainly due to the decrease in interest expense on short-term loans in the current period
Other cash paid related to financing activities	134,755,697.06	354,129,507.17	-61.95%	Mainly due to the decrease of cost on house leasing in the current period

Section II. Information of shareholders

1. Table on the total number of common shareholders, preferred shareholders with restored voting rights and shares held by the top 10 shareholders

Unit: share (s)

Total number of common shareholders at the end of the reporting period		153,843	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any)		0	
Particulars about shares held by the top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage(%)	Number of shares held	Number of shares held with sales restrictions	Pledged, marked or frozen	
					Status of shares	Number of shares
Lu Zhongfang	Domestic natural person	41.36%	2,550,549,260	2,550,549,260	Pledged	1,157,543,359
Li Yongxin	Domestic natural person	18.35%	1,131,415,121	1,131,070,121	Pledged	543,150,000
Wang Zhendong	Domestic natural person	13.83%	852,885,418	639,664,063	Pledged	328,193,884
Beijing Aerospace Industry Investment Fund (Limited Partnership)	Domestic non-state-owned legal person	3.24%	199,611,483	0		
Beijing Offcn Future Information Consulting	Domestic non-state-owned legal person	1.30%	80,000,000	0		

Center (Limited Partnership)						
Zhou Xiayun	Domestic natural person	1.28%	78,848,640	0	Pledged	69,000,000
Zhou Hui	Domestic natural person	1.17%	72,277,920	0	Pledged	26,490,000
Beijing Kerui Technology Innovation Investment Center (Limited Partnership)	Domestic non-state-owned legal person	1.04%	64,100,323	0		
Zhou Li	Domestic natural person	0.78%	48,185,280	0		
Beijing Guangyin Venture Capital Center (Limited Partnership)	Domestic non-state-owned legal person	0.71%	43,750,952	0		
Particulars about shares held by the top 10 shareholders without sales restrictions						
Name of shareholders	Number of shares without sales restrictions held	Type of shares				
		Type of shares	Number of shares			
Wang Zhendong	213,221,355	RMB ordinary shares	213,221,355			
Beijing Aerospace Industry Investment Fund (Limited Partnership)	199,611,483	RMB ordinary shares	199,611,483			
Beijing Offcn Future Information Consulting Center (Limited Partnership)	80,000,000	RMB ordinary shares	80,000,000			
Zhou Xiayun	78,848,640	RMB ordinary shares	78,848,640			
Zhou Hui	72,277,920	RMB ordinary shares	72,277,920			
Beijing Kerui Technology Innovation Investment Center (Limited Partnership)	64,100,323	RMB ordinary shares	64,100,323			
Zhou Li	48,185,280	RMB ordinary shares	48,185,280			
Beijing Guangyin Venture Capital Center (Limited Partnership)	43,750,952	RMB ordinary shares	43,750,952			
Yang Shaofeng	24,062,680	RMB ordinary shares	24,062,680			
Hong Kong Securities Clearing Co., Ltd.	23,977,849	RMB ordinary shares	23,977,849			
Description of the relationship or concerted action among the above mentioned shareholders	The Company's controlling shareholder and actual controller Lu Zhongfang and Li Yongxin are in a mother-son relationship. Lu Zhongfang, Li Yongxin, and Beijing Offcn Future Information Consulting Center (Limited Partnership) are acting in concert. Zhou Xiayun and Zhou Hui have a father-son relationship. Zhou Xiayun and Zhou Li have a father-daughter relationship. It is unknown whether there is an associated relationship among the above-mentioned other shareholders, nor whether the above-mentioned shareholders belong to the parties acting in concert as stipulated in the <i>Administrative Measures on Information Disclosure of Shareholding Changes in Listed Companies</i> .					
Description of the top 10 shareholders participating in the	None					

margin trading or short selling business (if any)	
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2. Table on the total number of preferred shareholders and shares held by the top 10 preferred shareholders

Applicable Not Applicable

Section III. Other significant events

Applicable Not applicable

1. Overview of the Company's operation in the first quarter of 2022

Since the year of 2022, with the ongoing and repeating Covid-19 pandemic, the strictness of prevention and control measures is being upgraded continuously in various areas. The Company is facing a harsher external environment with more tough challenges for its operation compared with the year of 2021. Especially since March, which is the traditional peak period for the Company's marketing and trainees enrollment in previous years, the pandemic bursts out in many cities of the country and the situation is far more severe than last two years. Stricter prevention and control measures are applied in many cities and hundreds of direct-operated branches of the Company in various areas suffer from periodic suspension of classes in turns. Meanwhile, the multi-provincial joint examination of civil servant recruitment in first half of the year, the national-level interview examination of civil servant recruitment and the public institution recruitment tests are being deferred one by another. The Company's enrollment and teaching of classes are both affected greatly. The uncertainty of the operating environment has objectively caused a periodical impact on the development of the training business and has a certain impact on the Company's performance.

But even so, the Company strived to take strong measures, actively promoted the 2022 business improvement plan, and gained a gradual result in the first quarter. During the reporting period, the Company implemented amoeba operation reform plan internally and put efforts in reducing costs and expenses. Although there is still a considerable improving area for optimization, the total operating cost has decreased compared with the same period of last year, and the effect of lean cost control has emerged. Besides that, in such a harsher operating environment compared with last year, the Company adjusted its products' structure, and continuously reduced the ratio of high-refund products. The cash received by the Company from selling goods and providing service is basically the same as that in the same period of last year. The net cash flow of operation turns positive on a monthly basis. The Company's business stays steady in the adversity during the adjustment period of product strategies.

In future, the Company will continue to promote its 2022 business improvement plan and enhance the Company's operating efficiency, by maintaining a prudent and steady business strategy, judging and responding to market risks in a timely manner, optimizing internal operation by reducing costs and enhancing efficiency, adjusting its products structurally, and speeding up the development of new businesses.

2. The progress of the investigation launched by the China Securities Regulatory Commission into the Company:

On December 15, 2021, the Company received the *Notice of Filing* (No. SR Filing 0232021010) from the CSRC. According to the *Securities Law of the People's Republic of China*, *Law of the People's Republic of China on Administrative Punishment* and other laws and regulations, the Company is suspected of failing to disclose related party transaction information and violating the laws and regulations of information disclosure. The CSRC decided

to file a case against the Company.

On January 15, 2022, the Company issued the *Announcement on the Progress of the Investigation and Risk Warning* (No. 2022-006).

On February 15, 2022, the Company issued the *Announcement on the Progress of the Investigation and Risk Warning* (No. 2022-019).

On March 15, 2022, the Company issued the *Announcement on the Progress of the Investigation and Risk Warning* (No. 2022-022).

On April 24, 2022, the Company and the relevant parties received the *Prior Notice of Administrative Penalty*. The Anhui Securities Regulatory Bureau of the CSRC decided to give a warning to and impose a fine on the Company and the relevant parties. Specific information is stated in the announcement (No. 2022-031) disclosed on CNINFO (www.cninfo.com.cn) and other designated media.

On April 27, 2022, the Company and the relevant parties received the official Decision of Administrative Penalty from the Anhui Securities Regulatory Bureau, which determines Offcn Edu, its subsidiaries Beijing Offcn Education Technology Co., Ltd. and Liaoning Zhongcheng Real Estate Development Co.,Ltd. constitute a related-party relationship with Shaanxi Guancheng Industrial Co., Ltd., Beijing Chuangsheng Construction Decoration Engineering Co., Ltd., Shanghai Beiding Network Technology Co., Ltd., Ji'an Jingkai Lixiangxue Financial Information Service Co., Ltd. and Liaoning Hanhui Industrial Co., Ltd.. The total amount involved in related transactions was RMB 1232.395 million yuan, including RMB 196.335 million yuan in year 2019 and RMB 1036.060 million yuan in year 2020, which account for 6.65% and 30.19% of the net assets of Offcn Edu in the latest period respectively. The Company did not disclose the above-mentioned information in accordance with relevant laws and regulations and there was a material omission of the Company's information disclosure. A warning was given to and a fine was imposed on the Company and the relevant persons responsible for the situation, and corresponding rectification is required. Specific information is stated in the announcement (No. 2022-032) disclosed by the Company on CNINFO (www.cninfo.com.cn) and other designated media for information disclosure.

Type of related-party transaction	Related party	Content of related-party transaction	Amount of related-party transactions in year 2019 (RMB)	Amount of related-party transactions in year 2020(RMB)	Amount of related-party transactions in year 2021(RMB)	Total(RMB)
Accepting the entrustment of related party for decoration	Beijing Chuangsheng Construction Decoration Engineering Co., Ltd.	Decoration fee	161,747,000.00	242,000,000.00	0.00	403,747,000.00
Accepting the transfer of assets from	Shaanxi Guancheng Industrial Co., Ltd.	Asset acquisition	0.00	383,060,000.00	0.00	383,060,000.00

related party						
Accepting the transfer of assets from related party	Liaoning Hanhui Industrial Co., Ltd.	Asset acquisition	0.00	200,000,000.00	0.00	200,000,000.00
Purchasing products and goods from the related party	Ji'an Jingkai Lixiangxue Financial Information Service Co., Ltd. / Shanghai Beiding Network Technology Co., Ltd.	Commission fee	34,588,038.03	210,728,611.86	183,144,220.00	428,460,869.89
Total			196,335,038.03	1,035,788,611.86	183,144,220.00	1,415,267,869.89

Section IV. Quarterly financial statements

1. Financial statements

(1) Consolidated balance sheet

Company: Offcn Education Technology Co., Ltd.

March 31, 2022

Unit: RMB yuan

Item	Closing balance	Beginning Balance
Current assets:		
Monetary funds	1,129,779,804.27	1,970,361,272.64
Settlement reserve		
Lendings		
Transactional financial assets	118,374,738.18	346,726,621.74
Derivative financial assets		
Notes receivable		
Accounts receivable	39,875,287.62	40,374,842.27
Receivables financing		
Prepayments	1,238,102.00	1,438,350.00
Premium receivables		
Accounts receivable reinsurance		
Reserve for reinsurance receivable contracts		
Other receivables	216,682,824.68	219,501,061.83
Inc: Interest receivables		
Dividend receivables		
Buying back the sale of financial assets		
Inventories		
Contract assets		
Assets held-for-sale		
Non-current assets due within one year		
Other current assets	22,946,171.86	36,959,129.80
Total current assets	1,528,896,928.61	2,615,361,278.28
Non-current assets		
Loans and advances		
Debt investments	10,000,000.00	7,058,993.55
Other debt investments		
Long-term receivables		
Long-term equity investments	46,850,364.40	46,850,364.40

Other equity investments	130,400,000.00	130,400,000.00
Other non-current financial assets	30,260,000.00	30,260,000.00
Investment properties	639,856,778.18	644,936,541.46
Fixed assets	1,745,084,201.78	1,770,372,338.85
Construction in progress	299,642,804.89	294,785,678.31
Productive biological assets		
Oil and gas assets		
Right-of-use assets	1,291,850,352.33	1,342,280,387.08
Intangible assets	859,956,886.83	866,627,549.85
Development expenditure		
Goodwill	99,867,720.38	99,867,720.38
Long-term prepaid expenses	357,228,216.77	380,191,006.38
Deferred tax assets	505,810,798.69	424,027,271.38
Other non-current assets	1,654,777,770.41	1,652,164,395.78
Total Non-current Assets	7,671,585,894.66	7,689,822,247.42
Total Assets	9,200,482,823.27	10,305,183,525.70
Current liabilities		
Short-term loans	1,651,209,492.99	3,152,945,812.59
Borrowings from central bank		
Borrowings from banks and other financial institutions		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	269,216,168.97	282,032,916.52
Deposit received		
Contract liabilities	4,034,759,242.27	3,063,721,290.28
Financial assets sold for repurchase		
Absorbing deposits and interbank deposits		
Acting trading securities		
Acting underwriting securities		
Payroll payable	357,995,173.17	422,886,856.60
Taxes payable	28,432,694.84	12,566,751.84
Other payable	100,409,049.33	129,043,599.22
Inc: Interest payable		
Dividend payables		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held-for-sale		
Non-current liabilities due within one year	739,942,968.01	531,876,007.31
Other current liabilities	121,042,777.27	91,925,853.39
Total Current Liabilities	7,303,007,566.85	7,686,999,087.75
Non-current Liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Inc: Preferred share		
Perpetual bond		
Lease liabilities	379,061,479.40	635,691,184.87
Long-term payables		
Long-term salary payable		
Estimated liabilities		
Deferred income		
Deferred tax liabilities	93,458,605.44	93,712,172.62
Other non-current liabilities		
Total non-current liabilities	472,520,084.84	729,403,357.49
Total liabilities	7,775,527,651.69	8,416,402,445.24
Owners' equity:		
Share capital	103,807,623.00	103,807,623.00
Other equity instrument		
Inc: Preferred shares		
Perpetual bond		
Capital reserve	1,225,481,049.50	1,225,481,049.50
Less: Treasury stock		
Other comprehensive income	13,200,000.00	13,200,000.00

Special reserves		
Surplus reserves	45,000,000.00	45,000,000.00
General risk preparation		
Undistributed profits	37,505,486.77	501,330,081.70
Total owners' equity attributable to the parent company	1,424,994,159.27	1,888,818,754.20
Minority shareholders' equity	-38,987.69	-37,673.74
Total owners' equity	1,424,955,171.58	1,888,781,080.46
Liabilities and owner's equity	9,200,482,823.27	10,305,183,525.70

Legal representative: Wang Zhendong Person in charge of accounting: Shi Lei Head of the accounting department: Luo Xue

(2) Consolidated income statement

Item	Unit: RMB yuan	
	Amount in the current period	Amount in the previous period
I. Total operating income	1,212,740,311.93	2,051,691,383.47
Including: operating income	1,212,740,311.93	2,051,691,383.47
Interest income		
Premium earned		
Fee and commission income		
II. Total operating costs	1,770,228,930.90	1,979,436,277.98
Inc: operating costs	749,351,241.84	824,615,510.04
Interest expenses		
Fee and commission expenses		
Surrender money		
Net reimbursement expenditure		
Withdrawal of net insurance liability reserves		
Policyholder dividend expenses		
Reinsurance expenses		
Taxes and surcharges	8,798,438.13	3,125,104.09
Sales expenses	396,015,900.26	435,647,726.75
Management expenses	320,087,116.49	340,240,393.35
R&D expenses	226,404,752.90	267,150,553.55
Financial expenses	69,571,481.28	108,656,990.19
Inc: Interest expenses	34,754,941.56	52,090,565.27
Interest income	2,583,174.80	6,768,970.11
Add: other income	8,268,197.61	60,454,036.43
Investment income (Loss is listed with "-")	2,755,592.22	32,350,483.88
Inc: investment income from associates and joint ventures		
Derecognition income of financial assets measured at amortized cost		
Exchange earnings (Loss is listed with "-")		
Net exposure hedge income (Loss is listed with "-")		
Fair value change income (Loss is listed with "-")	2,674,975.31	12,156.21
Credit impairment loss (Loss is listed with "-")	-1,005,625.25	-239,123.84
Asset impairment loss (Loss is listed with "-")		
Asset disposal income (Loss is listed with "-")		56,256.12
III. Operating profit (Loss is listed with "-")	-544,795,479.08	164,888,914.29
Add: non-operating income		
Less: non-operating expenses	152,921.74	69,002.90
IV. Total profit (The total loss is listed with "-")	-544,948,400.82	164,819,911.39
Less: income tax expenses	-81,122,491.94	24,090,187.92
V. Net profit (Net loss is listed with "-")	-463,825,908.88	140,729,723.47
i. Classified by business continuity		
1. Net profit from continuing operations (Net loss is listed with "-")	-463,825,908.88	140,729,723.47
2. Net profit from discontinued operations (Net loss is listed with "-")		
ii. Classification by ownership		
1. Net profit attributable to the owner of the parent company	-463,824,594.93	140,729,639.84
2. Minority shareholders' profits and losses	-1,313.95	83.63
VI. Net other comprehensive income		
Net other comprehensive income attributable to the parent company owner		

i. Other comprehensive income that cannot be reclassified into profit or loss		
1. Changes from the remeasurement of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of other equity instruments		
4. Changes in fair value of the Company's own credit risk		
5. Other		
ii. Other comprehensive income that will be reclassified into profit or loss		
1. Other comprehensive income of convertible profit and loss under the equity method		
2. Changes in fair value of other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Credit impairment provisions of other debt investment		
5. Cash flow hedge reserve		
6. Foreign currency financial statement translation difference		
7. Others		
Net other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-463,825,908.88	140,729,723.47
Total comprehensive income attributable to owners of the parent company	-463,824,594.93	140,729,639.84
Total comprehensive income attributable to minority shareholders	-1,313.95	83.63
VIII. Earnings per share:		
i. Basic earnings per share	-0.08	0.02
ii. Diluted earnings per share	-0.08	0.02

If a business combination under the same control occurs in this period, the net profit realized by the combined party before the combination is RMB 0.00. The net profit realized by the combined party in the previous period was: RMB 0.00.

Legal representative: Wang Zhendong Person in charge of accounting: Shi Lei Head of the accounting department: Luo Xue

(3) Consolidated cash flow statement

Unit: RMB yuan

Items	Amount in the current period	Amount in the previous period
I. Cash flow from operating activities:		
Cash received from the sale of goods and services	2,249,268,010.73	2,257,705,337.11
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from central bank		
Net increase in funds borrowed from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance business		
Net increase in policyholders' deposits and investment funds		
Cash charged with interest, handling fees and commissions		
Net increase in funds borrowed in		
Net increase in repurchase funds		
Net cash received from agent buying and selling of securities		
Tax refund		
Other cash received related to other business activities	22,063,195.70	8,365,632.60
Subtotal of cash inflow from operating activities	2,271,331,206.43	2,266,070,969.71
Cash paid for the purchase of goods and services	210,528,840.27	389,263,578.68
Net increase in customer loans and advances		
Net increase in deposit of central bank and interbank		

Cash paid for the original insurance contract		
Net increase in borrowed funds		
Cash paid for interest, handling fees and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	1,224,818,887.78	1,788,537,241.10
Various taxes paid	25,331,722.29	81,728,859.56
Other cash paid for business activities	211,762,694.36	253,266,164.04
Subtotal of cash outflows from operating activities	1,672,442,144.70	2,512,795,843.38
Net cash flow from operating activities	598,889,061.73	-246,724,873.67
II. Cash flows from investing activities		
Cash received from investment recovery	344,776,858.87	4,234,310,000.00
Cash received from investment income	2,764,585.77	11,192,589.09
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		56,256.12
Net cash received from disposal of subsidiaries and other business units		
Other cash received related to investment activities		
Subtotal of cash inflows from investment activities	347,541,444.64	4,245,558,845.21
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	8,768,861.04	2,774,248,578.57
Cash paid for investment	116,700,000.00	4,226,550,000.00
Net increase in pledge loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid related to investment activities		
Subtotal of cash outflows from investment activities	125,468,861.04	7,000,798,578.57
Net cash flows from investment activities	222,072,583.60	-2,755,239,733.36
III. Cash flow from financing activities:		
Cash received from investment absorption		
Inc: Cash received from subsidiaries in absorbing minority shareholders' investment		
Cash received from the loan		2,670,000,000.00
Other cash received related to financing activities		
Subtotal of cash inflows from financing activities		2,670,000,000.00
Cash paid for debt repayment	1,500,000,000.00	2,090,000,000.00
Cash paid for dividends, profits or interest payments	26,787,416.64	46,324,162.51
Inc: Dividends and profits paid by subsidiaries to minority shareholders		
Other cash paid related to financing activities	134,755,697.06	354,129,507.17
Subtotal of cash outflows from financing activities	1,661,543,113.70	2,490,453,669.68
Net cash flow from financing activities	-1,661,543,113.70	179,546,330.32
IV. Effect of the changes of the exchange rate on cash and the equivalents		
V. Net increase in cash and cash equivalents	-840,581,468.37	-2,822,418,276.71
Add: balance of cash and cash equivalents at the beginning of the period	1,969,806,009.56	5,950,395,089.12
VI. Balance of cash and cash equivalents at the end of the period	1,129,224,541.19	3,127,976,812.41

2. Auditor's report

Whether this First Quarter 2022 Report has been audited

Yes No

The Company's First Quarter 2022 Report has not been audited.

Board of Directors of Offcn Educaton Technology Co. Ltd.

April 28, 2022