



**Bingshan Refrigeration & Heat Transfer
Technologies Co., Ltd.
QUARTERLY REPORT FOR FIRST QUARTER,
2023**

April, 2023

Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd. QUARTERLY REPORT FOR FIRST QUARTER, 2023

Important Notes

1.1 The directors and the Board of Directors, the supervisors and the Supervisory Board, and Senior staff members of Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any important omissions, fictitious statements or serious misleading carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completeness of the whole contents.

1.2 Chairman of the Board of Directors of the Company, Financial Majordomo, and the head of Accounting Department hereby confirm that the financial report of the quarterly report is true and complete.

1.3 This report is written respectively in Chinese and in English. In the event of any discrepancy between the two above-mentioned versions, the Chinese version shall prevail.

§1 Major accounting data

1.1 Major accounting data and financial indexes

	January-March, 2023	January-March, 2022	Increase/decrease compared with previous year
Operating revenue	1,072,560,425.76	580,124,203.74	84.88%
Net profit attributable to shareholders of listed companies	25,392,393.54	-12,758,270.89	299.03%
Net profit belonging to the shareholders of listed companies after the deduction of non-recurring profit and loss	13,312,360.06	5,827,430.25	128.44%
Net cash flow from operating activities	-158,425,157.75	-106,839,308.54	-48.28%
Basic earnings per share	0.03	-0.02	250.00%
Diluted earnings per share	0.03	-0.02	250.00%
Weighted average return on net asset yield	0.84%	-0.43%	Increase 1.27 percentage points
	March 31, 2023	December 31, 2022	Increase/decrease compared with year beginning
Total assets	7,493,875,954.26	7,601,935,329.60	-1.42%
Owner's equity attributable to shareholders of listed companies	3,031,583,225.38	3,006,190,831.84	0.84%

1.2 non-recurring gains and losses

√ Applicable □ Inapplicable

Item of non-recurring gains and losses	Amount from beginning of year to the end of report period
Disposal gains and losses of non-current asset	6,743.57
Government subsidies included in current profit or loss	2,533,270.09
Disposal gains from investments on other non-current financial assets, or gains from fair value change of other non-current financial assets	8,400,706.16
Other operating revenue or expense	1,963,520.45
Income tax effect	729,811.18
Minority shareholders' gains and losses	94,395.61
Total	12,080,033.48

1.3 Major changes in main financial items and indexes, and description of the cause

√ Applicable □ Inapplicable

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- (1). Other accounts receivable decreased by 31.58% compared to the beginning of the year, mainly due to refunds and refunds of bid security, reserve funds, etc.
- (2). Salary payable decreased 65.26% compared with the beginning of the year, mainly due to the payment of provision employee compensation of last period-end during the reporting period.
- (3). Other accounts payable decreased 51.31% compared with the beginning of the year, mainly due to the increase of current expenses such as the balance of reimbursement paid to individuals and the payment of freight.
- (4).The operating revenue increased by 84.88% year-on-year, mainly due to the increase in orders, as well as the inclusion of Sanyo Compressors and Sanyo Refrigeration System in the consolidation scope.
- (5).Sales expenses increased by 58.44% year-on-year, mainly due to the inclusion of Sanyo Compressors and Sanyo Refrigerators in the consolidation scope.
- (6). Management expenses increased by 78.50% year-on-year, mainly due to the inclusion of Sanyo Compressors and Sanyo Refrigerators in the consolidation scope.
- (7). R&D expenses increased by 117.49% year-on-year, mainly due to the inclusion of Sanyo Compressors and Sanyo Refrigerators in the consolidation scope.
- (8). Financial expenses increased by 216.69% year-on-year, mainly due to the inclusion of Sanyo Compressors and Sanyo Refrigerators in the merger scope, as well as an increase in mergers and acquisitions loans.
- (9). The investment income from affiliated enterprises and joint ventures decreased by 60.33% year-on-year, mainly due to the conversion of Sanyo Compressors and Sanyo Refrigerators into subsidiaries.
- (10). Gain from change in fair value increased 135.21% on a year-on-year basis, mainly due to the positive change of Goutai Junan share price.
- (11). Net cash flows arising from operating activities decreased 51.58 million yuan on a year-on-year basis, mainly due to the increase of product and engineering orders and the increase of cash paid for the purchase of raw materials and engineering construction.
- (12).Net cash flow arising from investment activities decreased by 26.41 million yuan year-on-year, mainly due to the higher amount of cash received from investment income during the same period last year.
- (13).Net cash flows arising from financing activities increased 51.84 million yuan on a year-on-year basis, mainly due to an increase in working capital loans and a decrease in cash payments for debt repayment.

§2 shareholders information

2.1 Total number and particulars of the shareholders by the end of the report period

Total number of shareholders in the reporting period				61,099	
Shareholding of top ten shareholders					
Name	Nature	Proportion	Total number	Number of shares with sale restriction	Number of pledged shares or shares frozen
Dalian Bingshan Group Co., Ltd.	Domestic non-state-owned legal person	20.27%	170,916,934	0	
Sanyo Electric Co., Ltd.	Overseas legal person	8.72%	73,503,150	0	
Zhang Sufen	Domestic natural person	0.93%	7,830,000	0	
Lin Zhenming	Foreign natural person	0.80%	6,730,000	0	
Chen Xianlai	Domestic natural person	0.77%	6,518,500	0	
Mao Shunhua	Domestic natural person	0.65%	5,507,268	0	
Chen Yong	Domestic natural person	0.51%	4,333,600	0	
Xue Hong	Domestic natural person	0.43%	3,600,000	0	
Dalian industrial development investment Co., Ltd.	Domestic non-state-owned legal person	0.40%	3,406,725	0	
Chen Cirou	Domestic natural person	0.40%	3,374,280	0	
Shareholding of top ten shareholders without sale restriction					
Name	Number of shares without sale restriction		Type of shares		
Dalian Bingshan Group Co., Ltd.	170,916,934		RMB denominated ordinary shares		
Sanyo Electric Co., Ltd.	73,503,150		Domestically listed foreign shares		
Zhang Sufen	7,830,000		RMB denominated ordinary shares		
Lin Zhenming	6,730,000		Domestically listed foreign shares		
Chen Xianlai	6,518,500		RMB denominated ordinary shares		

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Mao Shunhua	5,507,268	RMB denominated ordinary shares
Chen Yong	4,333,600	RMB denominated ordinary shares
Xue Hong	3,600,000	Domestically listed foreign shares
Dalian industrial development investment Co., Ltd.	3,406,725	RMB denominated ordinary shares
Chen Cirou	3,374,280	Domestically listed foreign shares
Notes to the associated relationship and uniform actions of the above shareholders	Dalian Bingshan Group Co., Ltd. had the association relationship with Sanyo Electric Co., Ltd. among the above shareholders. Sanyo Electric Co., Ltd. holds 26.6% of Dalian Bingshan Group Co., Ltd.'s equity.	
Explanation on the participation of the top 10 ordinary shareholders in margin trading and securities lending business	None	

Note: At the end of the reporting period, the total number of shareholders of the Company was 61,099, including 53,857 A-share shareholders and 7,242 B-share shareholders.

2.2 Total number of preferred shareholders and shareholding of top 10 preferred shareholders of the company

Applicable Inapplicable

§3 Other important matters

Applicable Inapplicable

§4 Financial Report (attached)

Not audited.

Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.
April 26, 2023

CONSOLIDATED BALANCE SHEET

Prepared by Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd. March 31, 2023

Unit: RMB Yuan

Items	31-Mar-2023	1-Jan-2023
Current assets:		
Monetary funds	853,844,610.15	1,006,165,899.18
Transaction financial assets		
Financial assets which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial assets		
Notes receivable	468,295,665.50	505,945,261.18
Accounts receivable	1,603,152,057.97	1,409,978,442.95
Receivables financing	74,536,558.56	58,792,792.70
Accounts in advance	194,298,154.06	171,991,468.12
Other receivables	35,163,339.52	51,394,474.24
Interest receivables		
Dividend receivable	2,751,127.55	14,495.00
Inventories	1,275,316,729.29	1,395,344,780.24
Contract assets	221,226,623.68	225,790,875.78
Assets held for sale		
Non-current asset due within one year	15,715,631.52	15,715,631.52
Other current assets	33,794,186.00	33,499,577.60
Total current assets	4,775,343,556.25	4,874,619,203.51
Non-current assets:		
Finance asset held available for sales		
Held-to-maturity investment		
Long-term account receivable	5,162,458.90	5,162,458.90
Long-term equity investment	566,321,122.40	562,987,771.94
Other non-current financial assets	158,351,567.47	149,950,861.31
Investment property	113,886,774.36	115,332,918.20
Fixed assets	1,196,467,911.57	1,229,029,368.93
Construction in progress	129,783,279.27	115,577,902.54
Right-of-use asset	27,467,715.74	30,941,662.26
Productive biological asset		
Oil and gas asset		
Intangible assets	166,422,187.16	168,076,720.07
Expense on Research and Development		
Goodwill	248,345,508.41	248,345,508.41
Long-term expenses to be apportioned	6,428,525.17	6,486,566.92
Deferred income tax asset	99,895,347.56	95,424,386.61
Other non-current asset		
Total non-current asset	2,718,532,398.01	2,727,316,126.09
Total assets	7,493,875,954.26	7,601,935,329.60
Current liabilities:		
Short-term loans	300,142,121.90	274,052,990.15
Financial liabilities which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial liabilities		

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Transaction financial liabilities		
Notes payable	657,829,792.74	618,944,384.85
Accounts payable	1,543,630,846.50	1,586,098,060.59
Accounts received in advance		
Contract liability	599,927,107.41	647,645,820.57
Wage payable	41,063,233.44	118,216,683.23
Taxes payable	35,694,840.09	33,691,523.62
Other accounts payable	32,645,482.47	67,054,250.25
Interest payable		
Dividend payable	533,156.00	533,156.00
Liabilities held for sale		
Non-current liabilities due within one year	66,488,644.67	63,105,954.56
Other current liabilities	198,040,125.75	204,650,003.24
Total current liabilities	3,475,462,194.97	3,613,459,671.06
Non-current liabilities:		
Long-term loans	715,100,000.00	715,100,000.00
Bonds payable		
Preferred stock		
Perpetual bond		
Lease liability	13,549,427.18	11,230,532.05
Long-term account payable	31,948,205.66	31,009,644.16
Long-term wage payable		
Special payable		
Anticipation liabilities	18,588,480.94	18,805,967.43
Deferred income	99,338,888.60	99,754,346.39
Deferred income tax liabilities	54,004,297.99	52,306,365.68
Other non-current liabilities		
Total non-current liabilities	932,529,300.37	928,206,855.71
Total liabilities	4,407,991,495.34	4,541,666,526.77
Shareholders' equity		
Share capital	843,212,507.00	843,212,507.00
Other equity instruments		
Preferred stock		
Perpetual bond		
Capital public reserve	717,097,098.38	717,097,098.38
Less:Treasury stock		
Other comprehensive income	2,208,669.73	2,208,669.73
Special preparation		
Surplus public reserve	825,226,634.15	825,226,634.15
Generic risk reserve		
Retained profit	643,838,316.12	618,445,922.58
Total owner's equity attributable to parent company	3,031,583,225.38	3,006,190,831.84
Minority interests	54,301,233.54	54,077,970.99
Total owner's equity	3,085,884,458.92	3,060,268,802.83
Total liabilities and shareholder's equity	7,493,875,954.26	7,601,935,329.60

Legal Representative: Ji Zhijian Chief Financial Official: Wang Jinxiu Person in Charge of Accounting Organization: Li Sheng

CONSOLIDATED INCOME STATEMENT

Prepared by Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.

January-March, 2023

Unit: RMB Yuan

Items	January-March, 2023	January-March, 2022
I. Total sales	1,072,560,425.76	580,124,203.74
II. Total operating cost	1,039,597,110.06	577,913,040.39
Including: Operating cost	893,235,841.55	498,267,124.81
Taxes and associate charges	7,355,461.08	3,902,568.08
Selling and distribution expenses	44,194,998.88	27,893,989.00
Administrative expenses	55,492,524.43	31,089,049.53
R&D expenses	30,168,249.27	13,871,052.81
Financial expense	9,150,034.85	2,889,256.16
Including: interest expense	9,229,081.55	3,488,895.03
interest income	2,817,923.65	1,293,302.61
Add: Other income	1,247,311.30	1,330,265.28
Gain/(loss) from investment	4,117,367.95	9,816,076.84
Including: income from investment on affiliated enterprise and jointly enterprise	4,117,367.95	10,379,456.43
Gain/(loss) from change in fair value	8,400,706.16	-23,861,817.44
Credit impairment loss (loss as “-“)	-16,010,380.50	-7,027,144.32
Assets impairment loss (loss as “-“)	-3,411,761.41	-559,933.94
Gain/(loss) from asset disposal	6,743.57	1,328.76
III. Operating profit	27,313,302.77	-18,090,061.47
Add: non-business income	2,004,115.73	939,431.78
Less: non-business expense	40,595.28	39,496.07
IV. Total profit	29,276,823.22	-17,190,125.76
Less: Income tax	3,661,167.12	-5,232,554.10
V. Net profit	25,615,656.10	-11,957,571.66
(I) Net profit from continuous operation		
(II) Net profit from discontinuing operation		
Net profit attributable to parent company	25,392,393.54	-12,758,270.89
Minority shareholders' gains and losses	223,262.56	800,699.23
VI. After-tax net amount of other comprehensive incomes		
After-tax net amount of other comprehensive incomes attributable to owners of the Company		
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in invests that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses		
1. Enjoyable shares in other comprehensive incomes in invests that will be reclassified into gains and losses under the equity method		
2. Changes in the fair value of other debt investments		
3. Gains and losses on fair value changes of available-for-sale financial assets		
4. The amount of financial assets reclassified into other comprehensive income		
5. Held-to-maturity investments are reclassified as saleable financial asset gains and losses		

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6.Others		
After-tax net amount of other comprehensive incomes attributable to minority shareholders		
VII Total comprehensive income	25,615,656.10	-11,957,571.66
Total comprehensive income attributable to parent company	25,392,393.54	-12,758,270.89
Total comprehensive income attributable to minority shareholders	223,262.56	800,699.23
VIII. Earnings per share		
(I) basic earnings per share	0.03	-0.02
(II) diluted earnings per share	0.03	-0.02

Legal Representative: Ji Zhijian Chief Financial Official: Wang Jinxiu Person in Charge of Accounting Organization: Li Sheng

CONSOLIDATED CASH FLOW STATEMENT

Prepared by Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.

January-March, 2023

Unit: RMB Yuan

Items	January-March, 2023	January-March, 2022
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	848,311,616.94	500,361,015.88
Write-back of tax received	6,265,704.09	3,578,931.71
Other cash received concerning operating activities	28,555,774.47	18,461,468.38
Subtotal of cash inflow arising from operating activities	883,133,095.50	522,401,415.97
Cash paid for purchasing commodities and receiving labor service	711,343,062.20	473,893,381.54
Cash paid to/for staff and workers	224,231,527.95	101,373,036.54
Taxes paid	42,840,851.22	13,478,309.63
Other cash paid concerning operating activities	63,142,811.88	40,495,996.80
Subtotal of cash outflow arising from operating activities	1,041,558,253.25	629,240,724.51
Net cash flows arising from operating activities	-158,425,157.75	-106,839,308.54
II. Cash flows arising from investing activities:		
Cash received from recovering investment		300,000.00
Cash received from investment income	14,495.00	27,612,431.60
Net cash received from disposal of fixed, intangible and other long-term assets	180,542.32	98,000.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	195,037.32	28,010,431.60
Cash paid for purchasing fixed, intangible and other long-term assets	14,142,179.85	5,116,381.41
Cash paid for investment		
Net cash paid for achievement of subsidiaries and other business units		
Other cash paid concerning investing activities		10,428,455.96
Subtotal of cash outflow from investing activities	14,142,179.85	15,544,837.37
Net cash flows arising from investing activities	-13,947,142.53	12,465,594.23
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' equity investment by subsidiaries		
Cash received from loans	178,525,821.90	147,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities	58,691,779.74	96,864,996.29
Subtotal of cash inflow from financing activities	237,217,601.64	243,864,996.29
Cash paid for settling debts	147,000,000.00	187,633,750.00
Cash paid for dividend and profit distributing or interest paying	7,471,261.97	5,179,787.72
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash paid concerning financing activities	62,728,621.32	82,872,922.79
Subtotal of cash outflow from financing activities	217,199,883.29	275,686,460.51
Net cash flows arising from financing activities	20,017,718.35	-31,821,464.22
IV. Influence on cash due to fluctuation in exchange rate	-406,667.62	86,419.22
V. Net increase of cash and cash equivalents	-152,761,249.55	-126,108,759.31
Add: Balance of cash and cash equivalents at the period -begin	921,663,803.17	438,969,337.87
VI. Balance of cash and cash equivalents at the period-end	768,902,553.62	312,860,578.56

Legal Representative: Ji Zhijian Chief Financial Official: Wang Jinxiu Person in Charge of Accounting Organization: Li Sheng