

Guangdong Dongfang Precision Science & Technology Co., Ltd.

Q3 2021 Report

The Company as well as all members of the Board of Directors hereby guarantee that the information disclosed is true, accurate and complete and 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 that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.

2. The Company’s legal representative, the Company’s Chief Financial Officer, and the Head of the Company’s Accounting Department (equivalent to Financial Manager) hereby guarantee that the financial statements carried in this Report are truthful, accurate and complete.

3. Whether the quarter report has been audited

Yes No

This Report has been prepared in Chinese and 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 2021	Change(%)	Q1-Q3 2021	Change(%)
Operating revenue (RMB yuan)	1,071,169,589.35	38.31%	2,471,728,553.53	26.63%
Net profit attributable to the listed company’s shareholders (RMB yuan)	129,754,201.64	31.70%	320,871,722.10	42.16%
Net profit attributable to the listed company’s shareholders before	119,708,244.58	48.00%	275,731,077.14	70.31%

exceptional gains and losses (RMB yuan)				
Net cash generated from/used in operating activities (RMB yuan)	—	—	123,716,021.96	-50.31%
Basic earnings per share (RMB yuan /share)	0.10	39.15%	0.24	60.00%
Diluted earnings per share (RMB yuan /share)	0.10	39.15%	0.24	60.00%
Weighted average return on equity (%)	3.28%	1.06%	7.95%	2.72%
	30 September 2021	31 December 2020	Change(%)	
Total assets (RMB)	6,630,829,730.33	6,323,236,687.05	4.86%	
Equity attributable to the listed company's shareholders (RMB)	4,014,149,425.76	4,158,538,499.75	-3.47%	

2. Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB yuan

Item	Q3 2021	Q1-Q3 2021	Notes
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	9,938.28	254,557.45	
Government grants through 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)	2,032,349.64	8,744,677.29	
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)	6,630,606.98	38,167,876.92	
Non-Operating Revenue and expenses other than the above	2,744,844.77	2,720,766.46	
Less: Income tax effects	1,047,578.97	4,007,623.56	
Non-controlling interests effects (net of tax)	324,203.64	739,609.60	
Total	10,045,957.06	45,140,644.96	--

Other items that meet the definition of Exceptional Gains and Losses:

Applicable Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

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 yuan

(1) Balance sheet items

Items	30 September 2021	31 December 2020	Change amount	Change(%)	Notes
Cash and bank balances	1,639,145,929.97	885,711,053.88	753,434,876.09	85.07%	Mainly due to the transfer of some large certificates of deposit and the recovery of some funds from wealth management products and securities investments during the period.
Accounts receivable	725,086,423.72	469,635,423.58	255,451,000.14	54.39%	Mainly due to the increase in sales during the period.
Prepayments	50,602,032.65	29,109,416.21	21,492,616.44	73.83%	Mainly due to the increase in orders, resulting in an increase in material purchases during the period.
Current portion of non-current assets	107,107,500.00	2,556,000.00	104,551,500.00	4090.43%	Mainly due to the reclassification of other non-current assets to current portion of non-current assets.
Other non-current assets	299,552,405.96	936,540,047.40	-636,987,641.44	-68.01%	Mainly due to the early redemption of other non-current assets and reclassification of other non-current assets to current portion of non-current assets during the period.
Short-term borrowings	371,830,802.69	39,533,281.84	332,297,520.85	840.55%	Mainly due to the addition of new short-term borrowings during the period.
Tax payable	60,331,362.40	36,369,777.05	23,961,585.35	65.88%	Mainly due to the increase in profit, resulting in an increase in tax payable during the period.
Current portion of non-current liabilities	40,894,679.18	226,597,528.74	-185,702,849.56	-81.95%	Mainly due to the repayment of part of the borrowings.
Financial liabilities held for trading	5,286,141.68	41,408,109.80	-36,121,968.12	-87.23%	Mainly due to the acquisition of minority interests during the period.
Treasury stock	59,060,125.60	579,403,185.12	-520,343,059.52	-89.81%	Mainly due to the retirement of repurchased shares during the period.

(2) Income statement items

Items	Q1-Q3 2021	Q1-Q3 2020	Change amount	Change(%)	Notes
R&D expenses	72,900,003.34	53,663,442.74	19,236,560.60	35.85%	Mainly due to the increased investment in research and development during the period.
Investment income	83,707,643.47	53,526,100.78	30,181,542.69	56.39%	Mainly due to the increase in investment income recognized during the period.
Gain/loss on changes in fair value	19,786,150.60	10,224,490.31	9,561,660.29	93.52%	Mainly due to the increase in changes in fair value recognized for securities investment during the period.

(3) Cash flow statement items

Items	Q1-Q3 2021	Q1-Q3 2020	Change amount	Change(%)	Notes
Net cash generated from/used in operating activities	123,716,021.96	248,985,657.24	-125,269,635.28	-50.31%	Mainly due to the increase in sales and accounts receivable, as well as the increase in orders and cash paid for inventory reserves during the period.
Net cash generated from/used in investing activities	981,796,242.31	-304,321,178.06	1,286,117,420.37	422.62%	Mainly due to the recovery of a large amount of bank wealth management products during the period.

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		48,177		Number of preference shareholders with resumed voting rights at the period-end (if any)		0	
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	20.32%	270,737,568	203,053,176	In pledge	187,000,000	
Tang Zhuomian	Domestic individual	7.27%	96,885,134	0			
Pulead Technology Industry Co., Ltd.	State-owned corporation	4.61%	61,454,378	0			
Contemporary Ampere Technology Co., Ltd.	Domestic non-state-owned corporation	3.36%	44,757,468	0			
Luzhou Industrial Development Investment Group Co., Ltd.	State-owned corporation	2.38%	31,770,010	0			
Huarong Securities – China Merchants Securities – Huarong Youzhi Collective Asset Management Plan No. 1	Other	2.36%	31,372,549	0			
Qiu Yezhi	Domestic individual	2.34%	31,176,518	23,382,388			
Qinghai Puren Intelligent Technology R & D Center (Limited Partnership)	Domestic non-state-owned corporation	2.00%	26,628,340	0			
Liang Shujing	Domestic individual	1.95%	26,000,000	0			
JIC Investment Co., Ltd.	State-owned corporation	1.94%	25,896,385	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-denominated ordinary stock	96,885,134				
Tang Zhuolin	67,684,392	RMB-denominated ordinary stock	67,684,392				
Pulead Technology Industry Co.,	61,454,378	RMB-denominated	61,454,378				

Ltd.		ordinary stock	
Contemporary Amperex Technology Co., Ltd.	44,757,468	RMB-denominated ordinary stock	44,757,468
Luzhou Industrial Development Investment Group Co., Ltd.	31,770,010	RMB-denominated ordinary stock	31,770,010
Huarong Securities – China Merchants Securities – Huarong Youzhi Collective Asset Management Plan No. 1	31,372,549	RMB-denominated ordinary stock	31,372,549
Qinghai Puren Intelligent Technology R & D Center (Limited Partnership)	26,628,340	RMB-denominated ordinary stock	26,628,340
Liang Shujing	26,000,000	RMB-denominated ordinary stock	26,000,000
JIC Investment Co., Ltd.	25,896,385	RMB-denominated ordinary stock	25,896,385
Hong Kong Securities Clearing Company Ltd.	25,719,266	RMB-denominated ordinary stock	25,719,266
Related or acting-in-concert parties among the shareholders above	Mr. Tang Zhuolin and Mr. Tang Zhuomian are 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. Apart from that, the Company is not aware of any related or acting-in-concert parties among the other shareholders above.		
Top 10 shareholders involved in securities margin trading (if any)	As of 30 September 2021, Pulead Technology Industry Co., Ltd. held 61,454,256 shares in the Company in its client account of collateral securities for margin trading in China Securities Co., Ltd.; and Luzhou Industrial Investment Group Co., Ltd. held 31,770,010 shares in the Company in its client account of collateral securities for margin trading in Guotai Junan Securities Co., Ltd.; and Qinghai Puren Intelligent Technology R & D Center (Limited Partnership) held 26,628,300 shares in the Company in its client account of collateral securities for margin trading in China Securities Co., Ltd.; and Liang Shujing held 26,000,000 shares in the Company in its client account of collateral securities for margin trading in China Securities Co., Ltd.		

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

Applicable Not applicable

III Other Significant Events

Applicable Not applicable

1. Launched a new phase of Share Repurchase Plan

On 22 September 2021, the Second Extraordinary General Meeting of 2021 considered and approved the Proposal on the share repurchase plan for 2021. The Company would repurchase its shares from the secondary market through centralized bidding trading with total self-owned funds of RMB500 million (inclusive) at least and RMB1 billion at most. The repurchase price would not exceed RMB8.34/share. The repurchased shares would be used for the following purposes: not less than 80% of the actual number of repurchased shares will be retired to reduce the Company's registered capital; not more than 20% of the actual number of repurchased shares would be used for share incentive or employee stock ownership plan. The implementation period of the share repurchase plan for 2021 will be within 12 months from the date of approval of the share repurchase plan by the general meeting of the Company. For details, please refer to the Report on Share Repurchase disclosed by the Company in China Securities Journal, Securities Times, Shanghai Securities News and the website of Shenzhen Stock Exchange on 23 September 2021.

As of 30 September 2021, the Company's special securities account for the repurchase had not yet implemented any operation related to the repurchase of shares; as of the date of submission of this report for disclosure, a total of 13.7728 million shares (1.03% of the Company's total share capital) were repurchased by way of centralized bidding, with a total payment of approximately

RMB78.3221 million (exclusive of transaction costs, highest transaction price: RMB5.94/share; lowest transaction price: RMB5.53/share).

2. Repurchased and retired 150,000 incentive shares granted

On 22 September 2021, the Second Extraordinary General Meeting of 2021 considered and approved the Proposal on the Repurchase and Retirement of Certain Restricted Shares. In accordance with the relevant provisions of the Administrative Measures for Share Incentives of Listed Companies and the Company's Restricted Stock Incentive Plan 2020 (Draft) and the Evaluation Measures for the Implementation of the 2020 Restricted Share Incentive Plan of the Company, it was decided to repurchase and retire 150,000 restricted shares, accounting for approximately 0.011% of the total share capital before this repurchase and retirement.

On 26 October 2021, the repurchase and retirement of the above-mentioned restricted shares was completed by the Company. For details, please refer to the Announcement on the Completion of the Repurchase and Retirement of Certain Restricted Shares disclosed by the Company in China Securities Journal, Securities Times, Shanghai Securities News and the website of Shenzhen Stock Exchange on 28 October 2021.

IV Quarterly Financial Statements

1. Financial Statements

(1) Consolidated Balance Sheet

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

30 September 2021

Unit: RMB yuan

Item	30 September 2021	31 December 2020
Current assets:		
Cash and bank balances	1,639,145,929.97	885,711,053.88
Settlement provisions		
Dismantling funds		
Financial assets held for trading	1,251,118,522.33	1,636,296,430.31
Derivative financial assets		
Notes receivable	2,150,000.00	12,744,582.88
Accounts receivable	725,086,423.72	469,635,423.58
Receivable financing	48,177,648.24	56,737,978.04
Prepayments	50,602,032.65	29,109,416.21
Premium receivable		
Receivable reinsurance account		
Provision for reinsurance contract receivable		
Other receivables	64,642,396.69	79,103,472.64
Including: Interest receivable	52,607.81	587,074.81
Dividend receivable		
Buy back resale financial assets		
Inventories	936,091,610.69	734,120,595.26
Contract assets	3,740,773.85	29,504,693.97
Assets held for sale		

Current portion of non-current assets	107,107,500.00	2,556,000.00
Other current assets	44,129,346.52	22,271,217.65
Total current assets	4,871,992,184.66	3,957,790,864.42
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investments		
Long-term receivables	2,709,568.85	1,475,000.00
Long-term equity investment	75,214,754.74	72,671,204.73
Investment in other equity instruments		
Other non-current financial assets	5,810,936.18	5,948,588.15
Real estate investment		
Fixed assets	546,866,099.25	571,413,480.14
Construction in progress	9,642,024.94	9,062,038.52
Productive biological assets		
Oil and gas asset		
Right-of-use assets	76,963,902.33	
Intangible assets	310,450,632.30	332,387,182.69
Development expenditure		
Goodwill	313,761,409.87	324,904,239.97
Long-term prepaid expenses	13,500,557.43	12,096,981.78
Deferred tax assets	104,365,253.82	98,947,059.25
Other non-current assets	299,552,405.96	936,540,047.40
Total non-current assets	1,758,837,545.67	2,365,445,822.63
Total assets	6,630,829,730.33	6,323,236,687.05
Current liabilities:		
Short-term borrowings	371,830,802.69	39,533,281.84
Borrowing from the Central Bank		
Borrowed funds		
Financial liabilities held for trading	5,286,141.68	41,408,109.80
Derivative financial liabilities		
Notes payable	135,203,732.09	104,855,187.97
Accounts payable	603,239,540.38	503,042,561.05
Advance receivables		
Contract liabilities	442,900,489.11	362,792,713.35
Selling back financial assets		
Deposits and Interbank deposit		
Agent trading securities		
Agent underwriting securities		
Employee benefits payable	94,586,629.55	92,623,562.93
Tax payable	60,331,362.40	36,369,777.05

Other payables	81,706,281.37	81,743,851.64
Including: Interest payable		
Dividend payable		
Fees and commissions		
Reinsurance accounts payable		
Liabilities held for sale		
Current portion of non-current liabilities	40,894,679.18	226,597,528.74
Other current liabilities	13,943,644.50	20,532,046.04
Total current liabilities	1,849,923,302.95	1,509,498,620.41
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	314,508,828.75	353,412,388.29
Bonds payable		
Including: Preference Shares		
Perpetual bonds		
Lease liabilities	60,211,850.35	
Long-term payables		
Long-term employee benefits payable	16,433,073.29	18,451,652.74
Provisions	111,632,160.42	105,450,257.63
Deferred income	15,800,747.80	16,861,488.27
Deferred tax liabilities	24,402,237.79	19,296,386.16
Other non-current liabilities	64,452,140.63	68,737,415.25
Total non-current liabilities	607,441,039.03	582,209,588.34
Total Liabilities	2,457,364,341.98	2,091,708,208.75
Equity:		
Share capital	1,332,088,167.00	1,545,126,957.00
Other equity instruments		
Including: Preference Shares		
Perpetual bonds		
Capital surplus	3,257,219,586.52	4,002,393,061.81
Less: Treasury stock	59,060,125.60	579,403,185.12
Other comprehensive income	-8,128,633.78	20,026,089.70
Special reserve	10,820,572.13	10,057,438.97
Surplus reserves	51,830,974.45	51,830,974.45
General risk preparation		
Retained earnings	-570,621,114.96	-891,492,837.06
Total equity attributable to owners of the parent	4,014,149,425.76	4,158,538,499.75
Non-controlling interests	159,315,962.59	72,989,978.55
Total equity	4,173,465,388.35	4,231,528,478.30
Total liabilities and equity	6,630,829,730.33	6,323,236,687.05

Legal representative: Tang Zhuolin Chief in charge of accounting work: Shao Yongfeng Head of accounting institution: Yao Bin

(2) Consolidated Income Statement for Q1-Q3

Unit: RMB yuan

Item	Q1-Q3 2021	Q1-Q3 2020
1 Total operating revenue	2,471,728,553.53	1,951,958,904.48
Including: Operating revenue	2,471,728,553.53	1,951,958,904.48
Interest income		
Premiums earned		
Fee and commission income		
2 Total operating cost	2,179,275,730.20	1,765,794,712.34
Including: Cost of sales	1,755,193,255.34	1,399,258,221.80
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	8,315,762.65	7,793,560.64
Selling expenses	148,295,933.98	120,806,685.92
Administrative expenses	201,190,092.94	184,551,546.73
R&D expenses	72,900,003.34	53,663,442.74
Finance costs	-6,619,318.05	-278,745.49
Including: Interest expenses	8,801,348.95	10,237,015.64
Interest income	18,468,389.42	16,848,399.62
Add: Other income	8,886,009.32	8,423,825.78
Investment income (loss with "-" sign)	83,707,643.47	53,526,100.78
Including: Share of profit or loss of joint ventures and associates	2,653,965.06	198,549.36
Income from derecognition of financial assets measured at amortised 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)	19,786,150.60	10,224,490.31
Credit impairment loss (loss is listed with "-" sign)	1,177,069.04	-1,384,648.98
Asset impairment loss (loss with "-" sign)	-3,577,852.62	-2,073,080.91
Gain/loss on disposal of assets (loss with "-" sign)	254,557.45	-2,291.96

"-" sign)		
3 Operating profit (losses are listed with "-" sign)	402,686,400.59	254,878,587.16
Add: Non-operating income	3,624,142.99	2,106,749.39
Less: Non-operating expenses	903,376.53	1,517,800.08
5 Gross profit (the gross loss shall be filled in with the sign "-")	405,407,167.05	255,467,536.47
Less: Income tax expenses	68,984,134.76	25,869,561.72
Net profit (net loss is listed with "-" sign)	336,423,032.29	229,597,974.75
(1) Net profit from continuing operations		
i. Net profit from continuing operations (net loss with "-" sign)	336,423,032.29	229,597,974.75
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	320,871,722.10	225,718,052.39
ii. Net profit attributable to non-controlling interests	15,551,310.19	3,879,922.36
6 Other comprehensive income/(loss), net of tax	-31,058,230.51	-1,816,973.90
Other comprehensive income/(loss) attributable to owners of the parent, net of tax	-28,154,723.48	-1,816,973.90
(1) Other comprehensive loss that will not be reclassified to profit or loss	-191,341.26	65,719.32
i. Changes caused by remeasurements on defined benefit schemes	-191,341.26	65,719.32
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	-27,963,382.22	-1,882,693.22
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	-27,963,382.22	-1,882,693.22
vii. Other		
Other comprehensive income attributable to non-controlling interests, net of tax	-2,903,507.03	
Total comprehensive income	305,364,801.78	227,781,000.85
Total comprehensive income attributable to owners of the parent	292,716,998.62	223,901,078.49
Total comprehensive income attributable to non-controlling interests	12,647,803.16	3,879,922.36
Earnings per share:		
(1) Basic earnings per share	0.24	0.15
(2) Diluted earnings per share	0.24	0.15

Legal representative: Tang Zhuolin Chief in charge of accounting work: Shao Yongfeng Head of accounting institution: Yao Bin

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

Unit: RMB yuan

Item	Q1-Q3 2021	Q1-Q3 2020
I Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	2,382,779,347.81	2,191,344,316.36
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	40,051,710.51	27,067,794.23
Cash generated from other operating activities	39,581,691.59	141,235,719.07
Subtotal of cash generated from operating activities	2,462,412,749.91	2,359,647,829.66

Payments for goods and services	1,630,409,017.32	1,370,823,824.55
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	409,726,364.04	390,338,827.65
Payments of all types of taxes and surcharges	64,912,293.11	65,884,267.48
Cash used in other operating activities	233,649,053.48	283,615,252.74
Subtotal of cash used in operating activities	2,338,696,727.95	2,110,662,172.42
Net cash generated from/used in operating activities	123,716,021.96	248,985,657.24
2 Cash flows from investing activities:		
Proceeds from disinvestment	4,446,989,916.65	
Investment income	94,953,231.61	53,327,551.42
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	584,797.70	5,898.53
Disposal of net cash received by subsidiaries and other business units		
Cash generated from other investing activities	2,434,405.65	6,263,980,802.74
Subtotal of cash generated from investing activities	4,544,962,351.61	6,317,314,252.69
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	45,944,656.39	97,690,291.05
Payments for investments	3,517,221,452.91	1,185,720.00
Net increase in pledged loans		
Obtain net cash paid by subsidiaries and other business units		
Cash used in other investing activities		6,522,759,419.70
Subtotal of cash used in investing activities	3,563,166,109.30	6,621,635,430.75
Net cash generated from/used in investing activities	981,796,242.31	-304,321,178.06
3 Cash flows from financing activities:		
Absorb the cash received by the investment	100,000,000.00	22,600,000.00
Including: the subsidiary absorbs the cash received from the investment of minority shareholders		
Borrowings raised	415,719,289.31	354,759,673.90

Cash generated from other financing activities	89,711,220.71	124,187,890.90
Subtotal of cash generated from financing activities	605,430,510.02	501,547,564.80
Repayment of borrowings	286,140,449.72	441,132,461.88
Interest and dividends paid	9,190,374.80	9,283,802.67
Including: Interest and dividends paid to minority shareholders		
Cash used in other financing activities	970,497,565.95	596,361,181.41
Subtotal of cash used in financing activities	1,265,828,390.47	1,046,777,445.96
Net cash generated from/used in financing activities	-660,397,880.45	-545,229,881.16
4 Effect of foreign exchange rates changes on cash and cash equivalents	-30,078,848.75	-8,508,042.88
5 Net (decrease)/increase in cash and cash equivalents	415,035,535.07	-609,073,444.86
Add: Cash and cash equivalents, beginning of the period	860,601,236.78	2,226,724,737.39
6 Cash and cash equivalents, end of the period	1,275,636,771.85	1,617,651,292.53

2. Explanation of the Adjustment of Financial Statements

(1) The adjustments to relevant items in the financial statements at the beginning of 2021 when the New Lease Standard was implemented for the first time

Applicable Not applicable

Whether to adjust the items in the balance sheets at the beginning of the year.

Yes No

Consolidated Balance Sheet

Unit: RMB yuan

Item	31 December 2020	1 January 2021	Adjustments
Current assets:			
Cash and bank balances	885,711,053.88	885,711,053.88	
Settlement provisions			
Dismantling funds			
Financial assets held for trading	1,636,296,430.31	1,636,296,430.31	
Derivative financial assets			
Notes receivable	12,744,582.88	12,744,582.88	
Accounts receivable	469,635,423.58	469,635,423.58	
Receivable financing	56,737,978.04	56,737,978.04	
Prepayments	29,109,416.21	29,109,416.21	
Premium receivable			
Receivable reinsurance account			
Provision for reinsurance contract receivable			
Other receivables	79,103,472.64	79,103,472.64	

Including: Interest receivable	587,074.81	587,074.81	
Dividend receivable			
Buy back resale financial assets			
Inventories	734,120,595.26	734,120,595.26	
Contract assets	29,504,693.97	29,504,693.97	
Assets held for sale			
Current portion of non-current assets	2,556,000.00	2,556,000.00	
Other current assets	22,271,217.65	22,271,217.65	
Total current assets	3,957,790,864.42	3,957,790,864.42	
Non-current assets:			
Loans and advances			
Debt investment			
Other debt investments			
Long-term receivables	1,475,000.00	1,475,000.00	
Long-term equity investment	72,671,204.73	72,671,204.73	
Investment in other equity instruments			
Other non-current financial assets	5,948,588.15	5,948,588.15	
Real estate investment			
Fixed assets	571,413,480.14	571,413,480.14	
Construction in progress	9,062,038.52	9,062,038.52	
Productive biological assets			
Oil and gas asset			
Right-of-use assets		93,513,747.81	93,513,747.81
Intangible assets	332,387,182.69	332,387,182.69	
Development expenditure			
Goodwill	324,904,239.97	324,904,239.97	
Long-term prepaid expenses	12,096,981.78	12,096,981.78	
Deferred tax assets	98,947,059.25	98,947,059.25	
Other non-current assets	936,540,047.40	936,540,047.40	
Total non-current assets	2,365,445,822.63	2,458,959,570.44	93,513,747.81
Total assets	6,323,236,687.05	6,416,750,434.86	93,513,747.81
Current liabilities:			
Short-term borrowings	39,533,281.84	39,533,281.84	
Borrowing from the Central Bank			
Borrowed funds			
Financial liabilities held for trading	41,408,109.80	41,408,109.80	
Derivative financial liabilities			
Notes payable	104,855,187.97	104,855,187.97	
Accounts payable	503,042,561.05	503,042,561.05	
Advance receivables			
Contract liabilities	362,792,713.35	362,792,713.35	
Selling back financial assets			
Deposits and Interbank deposit			

Agent trading securities			
Agent underwriting securities			
Employee benefits payable	92,623,562.93	92,623,562.93	
Tax payable	36,369,777.05	36,369,777.05	
Other payables	81,743,851.64	81,743,851.64	
Including: Interest payable			
Dividend payable			
Fees and commissions			
Reinsurance accounts payable			
Liabilities held for sale			
Current portion of non-current liabilities	226,597,528.74	226,597,528.74	
Other current liabilities	20,532,046.04	20,532,046.04	
Total current liabilities	1,509,498,620.41	1,509,498,620.41	
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings	353,412,388.29	353,412,388.29	
Bonds payable			
Including: Preference Shares			
Perpetual bonds			
Lease liabilities		93,513,747.81	93,513,747.81
Long-term payables			
Long-term employee benefits payable	18,451,652.74	18,451,652.74	
Provisions	105,450,257.63	105,450,257.63	
Deferred income	16,861,488.27	16,861,488.27	
Deferred tax liabilities	19,296,386.16	19,296,386.16	
Other non-current liabilities	68,737,415.25	68,737,415.25	
Total non-current liabilities	582,209,588.34	675,723,336.15	93,513,747.81
Total Liabilities	2,091,708,208.75	2,185,221,956.56	93,513,747.81
Equity:			
Share capital	1,545,126,957.00	1,545,126,957.00	
Other equity instruments			
Including: Preference Shares			
Perpetual bonds			
Capital surplus	4,002,393,061.81	4,002,393,061.81	
Less: Treasury stock	579,403,185.12	579,403,185.12	
Other comprehensive income	20,026,089.70	20,026,089.70	
Special reserve	10,057,438.97	10,057,438.97	
Surplus reserves	51,830,974.45	51,830,974.45	
General risk preparation			
Retained earnings	-891,492,837.06	-891,492,837.06	
Total equity attributable to owners of the parent	4,158,538,499.75	4,158,538,499.75	
Non-controlling interests	72,989,978.55	72,989,978.55	
Total equity	4,231,528,478.30	4,231,528,478.30	

Total liabilities and equity	6,323,236,687.05	6,416,750,434.86	93,513,747.81
------------------------------	------------------	------------------	---------------

(2) Retrospective adjustments to the previous comparative data when the New Lease Standard was implemented for the first time

Applicable Not applicable

3. Audit Report

Whether the quarter report has been audited

Yes No

The quarter report has not been audited.

**Board of Directors of
Guangdong Dongfang Precision Science & Technology Co., Ltd.
28 October 2021**