

Stock Code: 200468

Short Form of the Stock: NJ TEL B

Notice No.: 2022-039

Nanjing Putian Telecommunications Co., Ltd.

The Third Quarterly Report for 2022

The Company and whole members of the BOD guarantee that the information disclosed is true, accurate and complete, and there are no any fictitious records, misleading statements or important omissions.

Important content reminder:

1. Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

3. Whether the Third Quarterly Report has been audited or not

Yes No

I. Main financial data

(i) Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current period	Increase/decrease in the period compared with the same period of the previous year	Year-begin to period-end	Increase/decrease from year-begin to period-end compared with the same period of the previous year
Operating income (Yuan)	230,838,273.53	-0.06%	638,150,889.88	-6.55%
Net profit attributable to shareholders of the listed company (Yuan)	-6,590,348.37	5.28%	-34,301,645.70	6.16%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (Yuan)	-6,698,530.80	3.94%	-31,251,999.71	15.17%
Net cash flow arising from operating	—	—	-134,551,200.16	-27.70%

activities (Yuan)				
Basic earnings per share (Yuan /Share)	-0.031	4.21%	-0.160	5.88%
Diluted earnings per share (Yuan /Share)	-0.031	4.21%	-0.160	5.88%
Weighted average ROE	-16.84%	-12.75%	-71.41%	-51.24%
	End of current period	End of previous year	Increase/decrease at the period-end compared with the end of the previous year	
Total assets (Yuan)	892,763,585.91	993,571,982.44	-10.15%	
Owners equity attributable to shareholder of listed company (Yuan)	35,850,494.81	65,187,412.69	-45.00%	

(ii) Items and amounts of non-recurring profit (gains)/losses

√ Applicable □ Not applicable

Unit: Yuan

Item	Amount for the period	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-9,981.69	49,886.67	
Government subsidy recorded in current gains/losses (except those closely related to the Company's normal operation, and those continuously enjoyed on a fixed or quantitative basis with certain standards in accordance with national policy regulations)	77,983.93	270,478.42	
Gain/loss on debt restructuring	2,293.30	-2,497.76	
Losses/gains from changes of fair values occurred in holding trading financial assets and trading financial liabilities, and investment income obtaining from the disposal of trading financial assets and trading financial liability, excluded effective hedging business relevant with normal operations of the Company		337,205.48	
Other non-operating income and expenses other than the above	155,033.61	2,873,942.28	
Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses		-6,085,545.19	
Less: impact on income tax	33,687.59	116,400.24	
Impact on minority shareholders' equity (post-tax)	83,459.13	376,715.65	
Total	108,182.43	-3,049,645.99	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

Applicable Not applicable

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses are mainly the differences of cumulative foreign currency statement translation from liquidation closure of the subsidiaries in Hong Kong.

Explanation on those non-recurring gain/loss listed in the “Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss” defined as recurring gain/loss

Applicable Not applicable

The Company does not have the non-recurring gain/loss listed in the “Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss” defined as recurring gain/loss

(iii) Particulars about changes in items of main accounting data and financial index and explanations of reasons

Applicable Not applicable

The weighted average ROE from beginning of the year to end of the reporting period decreased by 51.24 percentage points compared with the same of the previous year, mainly because the net assets attributable to shareholder of listed company at beginning of the year declined over that of last year.

The owners' equity attributable to shareholder of listed company at end of the reporting period decreased by 45% compared with the end of previous year, mainly because suffered by the epidemic, staff diversion and liquidation of subsidiaries in the first three quarters, the net profit was negative, the owners' equity attributable to shareholder of listed company drops correspondingly.

II. Shareholders Information

(i) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

Unit: Share

Total common shareholders at period-end		7,896	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)		0	
To ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-tradable shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
China Potevio Company Limited	State-owned corporation	53.49%	115,000,000	115,000,000		
Shenwan HongYuan (H.K.) Limited	Foreign corporation	2.49%	5,354,300	0		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	1.38%	2,956,406	0		
Zheng Enyue	Domestic nature person	1.14%	2,449,739	0		
Sun Huiming	Domestic nature person	0.97%	2,080,000	0		

Gu Jinhua	Domestic nature person	0.87%	1,871,371	0		
Guosen Securities (H.K.) Broker Co., Ltd.	Foreign corporation	0.82%	1,768,682	0		
BOCI SECURITIES LIMITED	Foreign corporation	0.59%	1,266,945	0		
Zhen Hongquan	Domestic nature person	0.47%	1,002,300	0		
Xiang Yan	Domestic nature person	0.42%	905,602	0		
Shareholding of the top 10 shareholders of tradable shares						
Shareholder's name	Number of listed shares held	Type of shares				
		Type	Amount			
Shenwan HongYuan (H.K.) Limited	5,354,300	Domestically listed foreign shares	5,354,300			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	2,956,406	Domestically listed foreign shares	2,956,406			
Zheng Enyue	2,449,739	Domestically listed foreign shares	2,449,739			
Sun Huiming	2,080,000	Domestically listed foreign shares	2,080,000			
Gu Jinhua	1,871,371	Domestically listed foreign shares	1,871,371			
Guosen Securities (H.K.) Broker Co., Ltd.	1,768,682	Domestically listed foreign shares	1,768,682			
BOCI SECURITIES LIMITED	1,266,945	Domestically listed foreign shares	1,266,945			
Zhen Hongquan	1,002,300	Domestically listed foreign shares	1,002,300			
Xiang Yan	905,602	Domestically listed foreign shares	905,602			
Xia Zulin	900,000	Domestically listed foreign shares	900,000			
Note of related relationship among the above shareholders and concerted actors		Among the top ten shareholders, China Potevio is neither a related party nor a person acting in concert with the others. It's unknown by the Company whether there are related parties or persons acting in concert among the other shareholders.				
Explanation on top ten common shareholders involving margin business (if applicable)		N/A				

(ii) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

III. Other significant events

Applicable Not applicable

During the reporting period, the Company received a notice from controlling shareholder - China Potevio Company Limited (hereinafter referred to as China Potevio), and after study and approved by the China Electronics Technology Group Corporation (hereinafter referred to as CETC), it is agreed that the 115,000,000 shares of the Company (53.49% of the total share capital of the Company) held by China Potevio will transfer to China Electronics Guorui Group Corporation without any compensation, the CETC will remain as the actual controller of the Company. As of the end of the reporting period, ownership transfer has not been completed. Found more in the “Prompt Announcement on State-Owned Shares Transfer without Compensation and Change of the Controlling Shareholder” released on September 15, 2022, the “Summary of the Acquisition Report of Nanjing Putian Telecommunications Co., Ltd.” released on September 30, 2022 and the “Acquisition Report of Nanjing Putian Telecommunications Co., Ltd.” and “Short Form Report on Changes in Equity” released on October 13, 2022.

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate balance sheet

Prepared by Nanjing Putian Telecommunications Co., Ltd.

September 30, 2022

Unit: Yuan

Item	September 30, 2022	January 1, 2022
Current assets:		
Monetary fund	93,193,753.09	188,665,530.37
Settlement provisions		
Capital lent		
Trading financial assets	0.00	20,000,000.00
Derivative financial assets		
Note receivable	15,234,208.64	13,703,192.38
Account receivable	386,259,839.41	334,586,551.93
Receivable financing	16,036,076.12	40,852,223.88
Accounts paid in advance	18,986,143.42	22,645,816.66
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	11,283,222.69	16,628,195.17
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	192,344,706.60	186,531,565.70
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	3,191,308.14	7,763,000.07
Total current assets	736,529,258.11	831,376,076.16
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	10,422,262.50	10,422,193.15

Investment in other equity instrument	741,953.00	741,953.00
Other non-current financial assets		
Investment real estate	19,860,943.64	6,854,891.51
Fixed assets	100,546,431.10	117,801,156.71
Construction in progress	292,996.23	292,996.23
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	20,472,432.32	21,108,747.48
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	3,897,309.01	4,973,968.20
Deferred income tax asset		
Other non-current asset		
Total non-current asset	156,234,327.80	162,195,906.28
Total assets	892,763,585.91	993,571,982.44
Current liabilities:		
Short-term loans	236,300,000.00	199,000,000.00
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable	500,000.00	1,251,741.17
Account payable	458,417,363.08	538,363,742.94
Accounts received in advance		
Contractual liability	11,262,561.56	18,884,024.60
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	17,562,120.79	19,445,171.68
Taxes payable	6,243,807.07	2,881,067.35
Other account payable	48,669,458.90	64,006,795.08
Including: Interest payable		
Dividend payable	1,692,213.38	2,142,213.38
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year		2,656,474.95
Other current liabilities	1,464,133.00	2,454,923.31
Total current liabilities	780,419,444.40	848,943,941.08
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		

Lease liability		
Long-term account payable		
Long-term wages payable		
Accrual liability		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	780,419,444.40	848,943,941.08
Owner's equity:		
Share capital	215,000,000.00	215,000,000.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	197,864,174.08	197,864,174.08
Less: Inventory shares		
Other comprehensive income	-1,854,910.00	-6,819,637.82
Reasonable reserve		
Surplus public reserve	589,559.77	589,559.77
Provision of general risk		
Retained profit	-375,748,329.04	-341,446,683.34
Total owner's equity attributable to parent company	35,850,494.81	65,187,412.69
Minority interests	76,493,646.70	79,440,628.67
Total owner's equity	112,344,141.51	144,628,041.36
Total liabilities and owner's equity	892,763,585.91	993,571,982.44

Legal Representative: Li Langping

Person in charge of accounting works: Liao Rongchao

Person in charge of accounting institute: Lv Yunfei

2. Consolidated Profit Statement (from the year-begin to the period-end)

Item	Unit: Yuan	
	Current period	Last period
I. Total operating income	638,150,889.88	682,848,879.98
Including: Operating income	638,150,889.88	682,848,879.98
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	651,349,371.96	701,780,588.74
Including: Operating cost	505,834,602.13	541,779,925.62
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of		

guarantee slip		
Reinsurance expense		
Tax and extras	3,976,677.87	4,298,263.43
Sales expense	57,029,351.12	67,789,536.69
Administrative expense	44,164,495.60	40,278,028.86
R&D expense	33,286,913.01	42,849,380.41
Financial expense	7,057,332.23	4,785,453.73
Including: Interest expenses	7,808,379.40	5,752,158.03
Interest income	971,194.66	1,448,601.91
Add: other income	1,182,426.61	1,748,662.79
Investment income (Loss is listed with “-”)	-5,750,767.13	-1.19
Including: Investment income on affiliated company and joint venture	69.35	-1.19
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)	-2,405,794.60	-2,400,921.21
Losses of devaluation of asset (Loss is listed with “-”)	-9,993.42	0.00
Income from assets disposal (Loss is listed with “-”)	66,821.63	70,437.79
III. Operating profit (Loss is listed with “-”)	-20,115,788.99	-19,513,530.58
Add: Non-operating income	1,846,879.96	62,135.54
Less: Non-operating expense	44,008.13	96,377.76
IV. Total profit (Loss is listed with “-”)	-18,312,917.16	-19,547,772.80
Less: Income tax expense	8,172,417.32	10,025,199.83
V. Net profit (Net loss is listed with “-”)	-26,485,334.48	-29,572,972.63
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	-26,485,334.48	-29,572,972.63
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company (net loss listed with “-”)	-34,301,645.70	-36,551,452.62
2.Minority shareholders’ gains and losses (net loss listed with “-”)	7,816,311.22	6,978,479.99
VI. Net after-tax of other comprehensive income	4,964,727.82	969,869.51

Net after-tax of other comprehensive income attributable to owners of parent company	4,964,727.82	969,869.51
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	4,964,727.82	969,869.51
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements	4,964,727.82	969,869.51
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-21,520,606.66	-28,603,103.12
Total comprehensive income attributable to owners of parent Company	-29,336,917.88	-35,581,583.11
Total comprehensive income attributable to minority shareholders	7,816,311.22	6,978,479.99
VIII. Earnings per share:		
(i) Basic earnings per share	-0.160	-0.170
(ii) Diluted earnings per share	-0.160	-0.170

Enterprise combine under the same control in the Period, the combined party realized net profit of

0.00 Yuan before combination, and realized 0.00 Yuan at last period for combined party

Legal Representative: Li Langping

Person in charge of accounting works: Liao Rongchao

Person in charge of accounting institute: Lv Yunfei

3. Consolidated Cash Flow Statement (from the year-begin to the period-end)

Item	Unit: Yuan	
	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	580,599,798.73	700,171,752.46
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	2,296,485.34	8,086,092.42
Other cash received concerning operating activities	33,359,007.73	18,618,561.49
Subtotal of cash inflow arising from operating activities	616,255,291.80	726,876,406.37
Cash paid for purchasing commodities and receiving labor service	519,370,074.46	571,824,039.81
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and		

commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	137,296,966.23	140,214,006.83
Taxes paid	24,927,556.78	37,683,472.47
Other cash paid concerning operating activities	69,211,894.49	82,522,138.47
Subtotal of cash outflow arising from operating activities	750,806,491.96	832,243,657.58
Net cash flows arising from operating activities	-134,551,200.16	-105,367,251.21
II. Cash flows arising from investing activities:		
Cash received from recovering investment	20,000,000.00	
Cash received from investment income	337,205.48	
Net cash received from disposal of fixed, intangible and other long-term assets	135,090.00	31,890.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	20,472,295.48	31,890.00
Cash paid for purchasing fixed, intangible and other long-term assets	2,177,707.43	3,457,096.23
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		1.00
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	2,177,707.43	3,457,097.23
Net cash flows arising from investing activities	18,294,588.05	-3,425,207.23
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	85,900,000.00	157,500,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	85,900,000.00	157,500,000.00
Cash paid for settling debts	43,600,000.00	82,287,630.90

Cash paid for dividend and profit distributing or interest paying	18,494,194.59	16,147,530.74
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	1,232,833.30	39,890,136.46
Subtotal of cash outflow from financing activities	63,327,027.89	138,325,298.10
Net cash flows arising from financing activities	22,572,972.11	19,174,701.90
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	94,248.61	502,603.32
V. Net increase of cash and cash equivalents	-93,589,391.39	-89,115,153.22
Add: Balance of cash and cash equivalents at the period-begin	180,459,070.86	170,062,746.87
VI. Balance of cash and cash equivalents at the period-end	86,869,679.47	80,947,593.65

(ii) Audit report

Whether the 3rd quarterly report has been audited or not

Yes No

The 3rd quarterly report of the Company has not been audited.

Board of Directors of
Nanjing Putian Telecommunications Co., Ltd.

October 29, 2022