

Stock Code: 002236

Stock Abbreviation: Dahua

Announcement Number: 2023-036

Zhejiang Dahua Technology Co., Ltd.

2023 Q1 Report

The Company and all members of the Board of Directors hereby guarantee that the information disclosed herein is authentic, accurate and complete and free of any false records, misleading statements, or material omissions.

Important reminders:

1. The Board of Directors, the Board of Supervisors, directors, supervisors and senior management members of the Company hereby guarantee that the information presented in this quarterly report is authentic, accurate, complete and free of any false records, misleading statements or material omissions, and they will bear joint and several liability for such information.

2. The Company's legal representative, chief accountant, and person in charge of accounting institution (Accounting Officer) hereby declare and warrant that the financial statements in the quarterly report are authentic, accurate, and complete.

3. Has the first quarter report been audited

Yes No

This document is a translated version of the Chinese version 2023 Q1 report ("2023 年第一季度报告"), and the published Q1 Report in the Chinese version shall prevail.

I. Key Financial Data

(I) Key Accounting Data and Financial Indicators

Whether the Company needs retroactive adjustment or restatement of accounting data in prior years or not

Yes No

	The Current Reporting Period	The Same Period of Last Year	Increase/Decrease of the Current Reporting Period Compared with the Same Period of the Previous Year
Operating revenue (RMB)	6,015,629,882.58	5,847,968,885.65	2.87%
Net profit attributable to shareholders of the listed Company (RMB)	495,351,177.84	355,574,576.71	39.31%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	398,105,107.61	345,713,991.57	15.15%
Net cash flow generated by operational activities (RMB)	-1,339,410,329.62	-2,473,101,850.64	45.84%
Basic Earnings per Share (RMB/Share)	0.17	0.12	41.67%
Diluted Earnings per Share (RMB/Share)	0.17	0.12	41.67%
Weighted Average ROE	1.90%	1.49%	0.41%
	At the End of the Current Reporting Period	At the End of the Previous Year	Increase/Decrease at the End of the Current Reporting Period Compared with the End of the Previous Year
Total assets (RMB)	48,274,953,657.76	46,252,893,804.54	4.37%
Owners' Equity Attributable to Shareholders of the Listed Company (Unit: RMB)	31,575,081,726.82	25,836,798,918.61	22.21%

(II) Non-Recurring Gains and Losses Items and Their Amounts

Applicable Not applicable

Unit: RMB

Item	Amount in the Current Reporting Period	Note
Profits or losses from disposal of non-current assets (including the write-off for the accrued impairment of assets)	1,687,946.34	
The government subsidies included in the current profits and losses (excluding the government subsidies closely related to regular businesses of the Company, in line with national policies, and consecutively received by a standard quota or quantity)	36,480,350.20	
Gains or losses from investment or asset management entrusted to others	45,552,810.36	
Profits and losses resulting from the changes in fair value for holding trading financial assets and trading financial liabilities,	86,513,604.60	

and investment income from disposal of trading financial assets, trading financial liabilities, and financial assets available for trading, excluding the effective hedging businesses related to the regular business operation of the Company		
Non-Operating Revenue and expenses other than the above	2,481,090.95	
Other gains and losses items that fit the definition of non-recurring gains and losses	-52,760,189.47	
Less: Impact of income tax	26,268,215.87	
Impact of minority equity (after tax)	-3,558,673.12	
Total	97,246,070.23	

Other gains or losses that fit the definition of non-recurring gains or losses

Applicable Not applicable

The Company has no other gains or losses that fit the definition of non-recurring gains or losses.

Note for the definition of non-recurring gains and losses listed in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses*, as recurring gains and losses.

Applicable Not applicable

The Company did not define any non-recurring gains and losses set out in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses* as recurring gains and losses.

(III) Changes and Reasons for the Change of Key Accounting Data and Financial Indicators

Applicable Not applicable

(I) Changes in assets and liabilities and their reasons

1. Cash and bank balances increased by 49.53% compared with the beginning of the year, mainly due to the receipt of RMB 5.096 billion of funds raised during the period;
2. Other current assets decreased by 34.92% compared with the beginning of the year, mainly due to decreased national debt reverse repurchase at the end of the period compared with the beginning of the year;
3. Other non-current assets decreased by 30.54% compared with the beginning of the year, mainly due to decreased prepayments for long-term assets at the end of the period compared with the beginning of the year;
4. Short-term borrowings increased by 162.28% compared with the beginning of the year, mainly due to the increase in the outstanding discounted bills from related parties during the period;
5. Trading financial liabilities decreased by 93.76% compared with the beginning of the year, mainly due to changes in the fair value of foreign exchange contracts;
6. Accounts payable decreased by 34.81% compared with the beginning of the year, mainly due to the payment of large purchases during the period;
7. The salary payable to employees decreased by 51.01% compared with beginning of this year, mainly due to the issuance of year-end bonus for the previous year in this period;
8. Deferred revenue increased by 69.44% compared with the beginning of the year, mainly due to the receipt of asset-related government grants during the period;
9. Capital reserve increased by 125.17% compared with the beginning of the year, mainly due to premiums on equity received from fund raising during the period;

(II) The changes of items in the income statement and the reasons

1. Taxes and Surcharges increased by 55.70% compared with same period of previous year, mainly due to the increase of turnover tax payable in this period;

2. Management expenses increased by 30.94% compared with the same period of the previous year, mainly due to the increase in labor costs and depreciation expenses of assets in the current period compared with the same period of the previous year;
3. Finance expenses decreased by 40.51% compared with the same period of the previous year, mainly due to the increase in interest income and the decrease in exchange loss in the current period compared with the same period of the previous year;
4. Other income decreased by 41.08% compared with the same period of the previous year, mainly due to the decrease in VAT refund and government subsidies compared with the same period of the previous year;
5. Investment income decreased by 63.58% compared with the same period of the previous year, mainly due to the decrease in investment income from financial derivatives and the increase in investment loss recognized under the equity method for shareholding companies in the current period compared with the same period of the previous year;
6. The gains from changes in fair value increased by 298.75% compared with the same period of the previous year, mainly due to the increase in the changes in fair value of other non-current financial assets compared with the same period of the previous year;
7. Credit impairment losses decreased by 57.60% compared with the same period of the previous year, mainly due to the decrease in the provision for bad debts in the current period compared with the same period of the previous year;
8. Asset impairment losses increased by 30.15% compared with the same period of the previous year, mainly due to the increase in the provisions for inventory impairment compared with the same period of the previous year;
9. Income tax expense increased by 409.20% compared with the same period of the previous year, mainly due to the increase in taxable income in the current period compared with the same period of the previous year;

(III) The changes of items in the cash flow statement and the reasons

1. The net cash flow generated from operating activities increased by 45.84% compared with the same period of the previous year, mainly due to the increase in sales payment and the decrease in purchase payment, labor and tax expenses in the current period compared with the same period of the previous year;
2. The net cash flow generated from investment activities decreased by 122.18% compared with the same period of the previous year, mainly due to the decrease in the amount of financial investments recovered in the current period compared with the same period of the previous year;
3. The net cash flow from financing activities increased by 225.25% compared with the same period of the previous year, mainly due to the receipt of funds raised during the period;

II. Shareholder Information

(I) Numbers of Ordinary Shareholders and Preferred Shareholders with Restored Voting Power and Top Ten Shareholders' Shares

Unit: share

Total Number of Common Shareholders at The End of The Reporting Period		117,469	Total Number of Preferred Shareholders (If Any) Whose Voting Rights have been Recovered at the End of the Reporting Period		0	
Shareholding of the Top Ten Shareholders						
Name of Shareholder	Nature Of Shareholder	Shareholding Percentage (%)	Shareholding Quantity	Number of Shares Held with Limited Sales Conditions	Pledges, markings or freezing	
					State of Shares	Number
Fu Liquan	Domestic	33.76%	1,023,868,980.00	767,901,735.00	Pledge	228,550,270.00

	Natural Person					
Zhu Jiangming	Domestic Natural Person	5.28%	160,175,490.00	120,131,617.00	Pledge	11,700,000.00
Hong Kong Securities Clearing Co. Ltd.	Overseas Legal Person	3.66%	111,157,871.00	0.00		0.00
Chen Ailing	Domestic Natural Person	2.35%	71,262,813.00	53,447,110.00	Pledge	31,800,000.00
Wu Jun	Domestic Natural Person	2.28%	69,172,886.00	51,879,664.00		0.00
China Securities Finance Co., Ltd.	Domestic Non-state-owned Legal Person	1.31%	39,611,241.00	0.00		0.00
China Galaxy Securities Co., Ltd.	State-owned Legal Person	1.28%	38,683,600.00	0.00		0.00
National Social Security Fund 103	Others	1.06%	32,002,296.00	0.00		0.00
National Social Security Fund 101	Others	0.50%	15,312,862.00	0.00		0.00
Agricultural Bank of China Co., Ltd.- China International Fund Management Emerging Power Hybrid Securities Investment Fund	Others	0.46%	14,054,931.00	0.00		0.00

Shareholding of the top ten shareholders without limited sales condition

Name of Shareholder	Number of shares held without limited sales condition	Type of shares	
		Type of shares	Number
Fu Liquan	255,967,245.00	RMB common stock	255,967,245.00
Hong Kong Securities Clearing Co. Ltd.	111,157,871.00	RMB common stock	111,157,871.00
Zhu Jiangming	40,043,873.00	RMB common stock	40,043,873.00
China Securities Finance Co., Ltd.	39,611,241.00	RMB common stock	39,611,241.00
China Galaxy Securities Co., Ltd.	38,683,600.00	RMB common	38,683,600.00

		stock	
National Social Security Fund 103	32,002,296.00	RMB common stock	32,002,296.00
Chen Ailing	17,815,703.00	RMB common stock	17,815,703.00
Wu Jun	17,293,222.00	RMB common stock	17,293,222.00
National Social Security Fund 101	15,312,862.00	RMB common stock	15,312,862.00
Agricultural Bank of China Co., Ltd.- China International Fund Management Emerging Power Hybrid Securities Investment Fund	14,054,931.00	RMB common stock	14,054,931.00
Description of the association relationship or concerted action of above-mentioned shareholders	Mr. Fu Liquan and Ms. Chen Ailing are husband and wife. The Company Is Unaware Of Whether Other Shareholders Have Associated Relationship Or Are Persons Acting In Concert		
Explanation On Top Ten Shareholders' Participation In Securities Margin Trading (If Any)	N/A		

(II) Number of Preferred Shareholders and Top Ten Preferred Shareholders' Shares

Applicable Not applicable

III. Other Significant Events

Applicable Not applicable

1. The Company initiated the issuance of shares to China Mobile Limited in 2021 and obtained the Approval of Non-public Offering of Shares by Zhejiang Dahua Technology Co., Ltd. (Z.J.X.K. (2022) No. 853) issued by China Securities Regulatory Commission on April 24, 2022. The Company disclosed Report on Non-public Offering of Shares to Specific Investors, Announcement on Non-public Offering of Shares to Specific Investors and other documents on March 31, 2023 and April 12, 2023. The Company completed its non-public offering of shares to China Mobile Communications Group Co., Ltd. The 293,103,400 shares issued in this non-public offering shall be listed on the exchange as of April 14, 2023. The Company's total capital stock will change from 3,033,161,170 shares to 3,326,264,570 shares. The announcements above have been disclosed through the designated media Securities Times and Juchao Information Network (www.cninfo.com.cn).

2. During the reporting period, some of the senior management and core employees of the Company increased their capital by a total of RMB 6,049,190 to the holding subsidiary Zhejiang HuaRay Technology Co., Ltd. (where the registered capital was increased by RMB 1,675,676 and the rest was included in the capital reserve). 11 natural persons, consisting of senior managers Zhao Yuning, Zhu Jiantang, Xu Zhicheng, Liu Ming, Wu Jian, Li Zhijie, Song Ke, and Xu Qiaofen, supervisor Zheng Jiping, and core employees Gao Chunshan and Chen Qiang, increased their capital by a total of RMB 4,839,353 directly, while the management team and core employees of the Company increased their capital by a total of RMB 1,209,837 through holding shares in the platforms.

3. In order to further promote the long-term and stable development in machine vision and mobile robotics, HuaRay Technology, the holding subsidiary of the Company, introduced a total of 8 investors, including Yibin Green Energy Equity Investment Partnership (Limited Partnership), Wuxi Xinchuang No. 1 Venture Capital Partnership (Limited Partnership), Hefei Gotion High-tech Co., Ltd. and Zhu Jiangming, by way of capital increase and share expansion. The total capital increase of the 8 investors was RMB 260,000,061 (RMB 8,934,710 as new registered capital and the rest as capital reserve), acquiring a total of 12.58% ownership of HuaRay Technology after the capital increase.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Zhejiang Dahua Technology Co., Ltd.

March 31, 2023

Unit: RMB

Item	Closing balance	Balance at the beginning of the year
Current Assets:		
Cash and Bank Balances	12,007,159,819.04	8,029,878,650.77
Deposit Reservation for Balance		
Loans to Banks and Other Financial Institutions		
Trading Financial Assets	1,470,000.00	1,470,000.00
Derivative Financial Assets		
Notes receivable	731,059,874.97	872,302,071.18
Accounts receivable	14,525,756,307.21	15,411,908,561.50
Receivables Financing	746,477,533.01	679,441,917.62
Prepayments	123,513,410.25	121,691,239.14
Premium Receivable		
Reinsurance Accounts Receivable		
Reinsurance Contract Reserves Receivable		
Other Receivables	373,935,425.01	401,849,246.88
Including: interest receivable		
Dividends Receivable	5,246,599.67	8,519,063.17
Buying Back the Sale of Financial Assets		
Inventory	6,822,167,778.17	7,315,372,440.02
Contract Assets	124,124,475.05	106,335,405.35
Holding for-sale assets		
Non-current Assets Due within 1 Year	469,483,003.09	476,871,949.75
Other Current Assets	880,144,878.33	1,352,406,151.72
Subtotal of Current Assets	36,805,292,504.13	34,769,527,633.93
Non-current Assets:		
Granting of loans and advances		
Investment in Creditor's Rights		
Investment in Other Creditor's Rights		
Long-term Receivables	1,347,575,513.41	1,436,256,651.54
Long-term Equity Investment	1,392,797,739.50	1,461,099,644.55
Investment in Other Equity Instruments		
Other Non-current Financial Assets	1,046,867,121.21	931,043,130.33

Investment Property	417,462,226.90	423,035,823.82
Fixed Assets	4,555,578,078.13	4,643,617,574.85
Projects under Construction	532,553,763.26	423,535,552.03
Productive Biological Assets		
Oil and gas assets		
Right-of-use Assets	307,691,767.26	314,700,977.50
Intangible Assets	590,691,338.11	557,183,251.12
Development Expenditure		
Goodwill	6,615,294.18	6,615,294.18
Long-term Deferred Expenses	129,852,560.68	130,626,422.97
Deferred Income Tax Assets	1,043,873,233.95	1,014,419,944.15
Other Non-current Assets	98,102,517.04	141,231,903.57
Subtotal of Non-current Assets	11,469,661,153.63	11,483,366,170.61
Total Assets	48,274,953,657.76	46,252,893,804.54
Current Liabilities:		
Short-term loan	676,535,864.28	257,943,618.51
Borrowings from the Central Bank		
Borrowings from Banks and Other Financial Institutions		
Transactional financial liabilities	1,662,704.05	26,652,319.25
Derivative Financial Liabilities		
Notes Payable	3,819,379,691.63	4,364,097,761.17
Accounts Payable	4,785,099,812.87	7,340,277,388.29
Received Prepayments		
Contract liabilities	1,122,494,660.75	1,219,548,011.88
Financial Assets Sold for Repurchase		
Deposit Taking and Interbank Deposit		
Receiving from Vicariously Traded Securities		
Receiving from Vicariously Sold Securities		
Payroll payable	775,648,195.62	1,583,203,165.43
Tax Payable	293,764,703.12	326,881,747.78
Other Payables	920,057,453.52	1,004,056,999.91
Including: interest payable		
Dividends Payable		
Service Charge and Commission Payable		
Reinsurance Accounts Payable		
Holding for-sale liabilities		
Non-current Liabilities Due within 1 Year	2,574,521,241.97	2,558,010,785.73
Other Current Liabilities	153,756,546.61	166,004,612.27
Subtotal of Current Liabilities	15,122,920,874.42	18,846,676,410.22
Non-current Liabilities:		
Insurance Contract Reserves		
Long-term loan	427,000,000.00	453,825,000.00
Bonds Payable		
Including: Preferred Stocks		
Perpetual Bonds		
Lease Liabilities	187,137,193.29	196,340,654.27
Long-term Payables		
Long-term payroll payable		
Expected Liabilities	233,779,057.26	227,764,387.93
Deferred Income	177,345,965.69	104,663,047.38

Deferred Income Tax Liabilities	1,845,192.89	1,168,473.33
Other Non-current Liabilities	162,499,556.15	204,084,072.08
Subtotal of Non-current Liabilities	1,189,606,965.28	1,187,845,634.99
Total Liabilities	16,312,527,839.70	20,034,522,045.21
Shareholders' Equity:		
Share Capital	3,326,264,570.00	3,033,161,170.00
Other Equity Instruments		
Including: Preferred Stocks		
Perpetual Bonds		
Capital Reserves	8,894,722,588.52	3,950,209,243.25
Less: Treasury Share	609,859,632.00	609,859,632.00
Other Comprehensive Incomes	42,257,224.87	36,942,339.77
Special Reserves		
Surplus Reserves	1,553,691,005.92	1,553,691,005.92
General Risk Reserves		
Undistributed Profits	18,368,005,969.51	17,872,654,791.67
Total Shareholders' Equity Attributable to the Parent Company	31,575,081,726.82	25,836,798,918.61
Minority Shareholders' Equity	387,344,091.24	381,572,840.72
Total Shareholders' Equity	31,962,425,818.06	26,218,371,759.33
Total Liabilities and Shareholders' Equity	48,274,953,657.76	46,252,893,804.54

Legal representative: Fu Liquan Person in charge of accounting: Xu Qiaofen Person in charge of the accounting institution: Zhu Zhuling

2. Consolidated Income Statement

Unit: RMB

Item	Amount Occurred in the Current Period	Amount Occurred in the Previous Period
I. Total Operating Revenue	6,015,629,882.58	5,847,968,885.65
Including: Operating Revenue	6,015,629,882.58	5,847,968,885.65
Interest Income		
Earned Premiums		
Service Charge and Commission Income		
II. Total Operating Cost	5,653,548,465.50	5,550,713,608.95
Including: Operating Cost	3,457,338,659.40	3,565,578,176.53
Interest Expenditures		
Service Charge and Commission Expenses		
Surrender Value		
Net Claims Paid		
The Net Amount Withdrawn for Insurance Liability Reserves		
Policyholder Dividend Expense		
Reinsurance Cost		
Taxes and Surcharges	46,837,459.40	30,080,947.54
Sales Expenses	978,997,029.62	932,207,142.40
Administration expenses	266,144,460.34	203,262,314.28
Research and development	855,866,109.49	738,282,884.68

expense		
Financial Expenses	48,364,747.25	81,302,143.52
Including: interest expenses	31,385,578.66	30,840,382.07
Interest Income	68,480,455.12	47,897,325.35
Add: Other income	149,138,119.57	253,117,253.47
Investment Income (Mark "-" for Loss)	-96,942,769.68	-59,262,259.80
Including: Investment Income from Affiliates and Joint Ventures	-83,862,265.62	-72,730,282.72
Profits from recognition Termination of Financial Assets at Amortized Cost	-74,923.17	
Exchange Gains (Mark "-" for Losses)		
Profit of Net Exposure Hedging (Mark "-" for Loss)		
Incomes from changes in fair value (losses marked with "-")	145,744,316.06	-73,328,943.33
Credit Impairment Losses (Mark "-" for Loss)	-29,328,219.71	-69,177,503.05
Asset Impairment Losses (Mark "-" for Loss)	-17,382,046.88	-13,355,268.05
Asset Disposal Income (Mark "-" for Loss)	1,538,427.95	49,193.70
III. Operating Profit (Mark "-" for Loss)	514,849,244.39	335,297,749.64
Add: Non-operating Revenues	3,195,141.31	2,811,733.82
Less: Non-operating Expenses	1,039,470.65	1,627,282.23
IV. Total Profit (Mark "-" for Total Loss)	517,004,915.05	336,482,201.23
Less: Income Tax Expense	24,043,355.88	-7,775,898.37
V. Net Profit (Mark "-" for Net Loss)	492,961,559.17	344,258,099.60
(I) Classified by operation continuity		
1. Net Profit as a Going Concern (Mark "-" for Net Loss)	492,961,559.17	344,258,099.60
2. Net Profit of Discontinued Operation (Mark "-" for Net Loss)		
(II) Classified by the attribution of ownership		
1. Net Profit Attributable to the Parent Company's Owner	495,351,177.84	355,574,576.71
2. Minority Shareholders' Profit and Loss	-2,389,618.67	-11,316,477.11
VI. Net Amount of Other Comprehensive Incomes after Tax	5,226,283.43	11,063,697.89
Net Amount of Other Comprehensive Incomes after Tax Attributable to the Parent Company's Owner	5,314,885.10	11,209,379.25
(I) Other comprehensive income that cannot be reclassified into profit		

or loss		
1. Re-measure the variation of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to P/L under the equity method		
3. Changes in the fair value of investment in other equity instruments		
4. Changes in the fair value of the credit risk of the enterprise		
5. Others		
(II) Other comprehensive income that will be reclassified as P/L	5,314,885.10	11,209,379.25
1. Other comprehensive income that can be transferred to P/L under the equity method		
2. Changes in the fair value of investment in other creditor's rights		
3. Financial assets reclassified into other comprehensive income		
4. Provisions for the credit impairment of investment in other creditor's rights		
5. Cash flow hedge reserves		
6. Currency translation difference	5,314,885.10	11,209,379.25
7. Others		
Net Amount of Other Comprehensive Incomes After Tax Attributable to Minority Shareholders	-88,601.67	-145,681.36
VII. Total Comprehensive Income	498,187,842.60	355,321,797.49
Total Comprehensive Income Attributable to the Parent Company's Owner	500,666,062.94	366,783,955.96
Total Comprehensive Income Attributable to Minority Shareholders	-2,478,220.34	-11,462,158.47
VIII. Earnings per Share:		
(I) Basic Earnings per Share	0.17	0.12
(II) Diluted Earnings per Share	0.17	0.12

Legal representative: Fu Liqun Person in charge of accounting: Xu Qiaofen Person in charge of the accounting institution: Zhu Zhuling

3. Consolidated Cash Flow Statement

Unit: RMB

Item	Amount Occurred in the Current Period	Amount Occurred in the Previous Period
I. Cash Flow Generated by Operational Activities:		
Cash from Sales of Merchandise and Provision of Services	7,374,224,734.82	7,242,389,294.67
Net Increase in Customer's Bank Deposits and Interbank Deposits		
Net Increase in Borrowings from the Central Bank		

Net Increase in Borrowings from Other Financial Institutions		
Cash Arising from Receiving Premiums for the Original Insurance Contract		
Net Amount Arising from Reinsurance Business		
Net Increase in Deposits and Investments from Policyholders		
Cash Arising from Interests, Service Charges and Commissions		
Net Increase in Borrowings from Banks and Other Financial Institutions		
Net Increase in Repurchase Business Funds		
Net Amount of Cash Received from the Vicariously Traded Securities		
Tax Refund	331,924,366.01	317,364,603.31
Other Received Cashes Related to Operational Activities	287,656,842.27	324,680,606.69
Subtotal of cash inflow from operational activities	7,993,805,943.10	7,884,434,504.67
Cash Paid for Merchandise and Services	6,152,364,623.19	6,603,211,625.27
Net Increase in Loans and Advances to Customers		
Net Increase in Deposits with Central Bank and Other Financial Institutions		
Cash Paid for Original Insurance Contract Claims		
Net increase of funds lent		
Cash Paid for Interests, Service Charges and Commissions		
Cash Paid for Policy Dividends		
Cash Paid to and for Employees	2,348,672,698.05	2,667,673,628.12
Cash Paid for Taxes and Surcharges	363,575,415.68	614,940,360.60
Other Paid Cashes Related to Operational Activities	468,603,535.80	471,710,741.32
Subtotal of cash outflow from operational activities	9,333,216,272.72	10,357,536,355.31
Net cash flow generated by operating activities	-1,339,410,329.62	-2,473,101,850.64
II. Cash Flow from Investment Activities:		
Cash Arising from Disposal of Investments	521,008,100.64	911,736,781.89
Cash Arising from Investment Incomes	14,620,795.29	3,311,145.38
Net Cash Arising from Disposal of Fixed Assets, Intangible Assets and	1,871,569.59	439,146.60

Other Long-term Assets		
Net Cash Arising from Disposal of Subsidiaries and Other Business Units		
Other Received Cashes Related to Investment Activities	6,372,954.21	11,334,113.05
Subtotal of cash inflow from investment activities	543,873,419.73	926,821,186.92
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets	377,563,502.91	319,786,267.86
Cash Paid for Investments	198,446,286.75	382,163,000.00
Net Increase in Pledge Loans		
Net Cash Paid for Acquisition of Subsidiaries and Other Business Units		
Other Paid Cashes Related to Investment Activities	17,634,100.00	462,782.90
Subtotal of cash outflows from investment activities	593,643,889.66	702,412,050.76
Net amount of cash flow generated by investment activities	-49,770,469.93	224,409,136.16
III. Cash Flow from Financing Activities:		
Cash Arising from Absorbing Investments	5,102,048,350.36	50,000.00
Including: Cash Arising from Subsidiaries Absorbing Investments by Minority Shareholders	6,049,190.36	50,000.00
Cash Arising from Borrowings	743,145,876.82	2,133,946,000.00
Other Received Cashes Related to Financing Activities		0.00
Subtotal of cash inflow from financing activities	5,845,194,227.18	2,133,996,000.00
Cash Paid for Debts Repayment	368,081,000.00	339,666,000.00
Cash Paid for Distribution of Dividends and Profits or Payment of Interests	26,707,637.72	22,954,779.00
Including: Dividends and Profits Paid to Minority Shareholders by Subsidiaries		
Other Paid Cashes Related to Financing Activities	50,566,396.23	111,159,788.56
Subtotal of cash outflow from financing activities	445,355,033.95	473,780,567.56
Net cash flow generated by financing activities	5,399,839,193.23	1,660,215,432.44
IV. Impact of Fluctuation in Exchange Rate on Cash and Cash Equivalents	-37,070,716.55	-21,562,273.59
V. Net Increase in Cash and Cash Equivalents	3,973,587,677.13	-610,039,555.63
Add: Cash and Cash Equivalents at the Commencement of the Period	7,878,465,052.63	7,617,576,852.32
VI. Cash and Cash Equivalents at the End of the Period	11,852,052,729.76	7,007,537,296.69

Legal representative: Fu Liquan Person in charge of accounting: Xu Qiaofen Person in charge of the accounting institution: Zhu Zhuling

(II) Audit Report

Has the first quarter report been audited

Yes No

The report for the first quarter has not been audited.

Board of Directors of Zhejiang Dahua Technology Co., Ltd.

April 28, 2023