

Stock Code: 002607

Stock Abbr.: OFFCN EDU

Announcement No.: 2023-083

OFFCN EDUCATION TECHNOLOGY CO., LTD.

Third Quarter 2023 Report

The Company and all the members of its Board of Directors hereby guarantee that the contents disclosed are true, accurate, and complete, and that there are no misrepresentations, misleading statements, or material omissions. This Report is prepared and published in Chinese and English versions. Should there be any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

Important notes:

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

2. The Company's legal representative, the head in charge of accounting and the head of the accounting department (accounting supervisor), declare that they warrant the truthfulness, accuracy and completeness of the financial report in the quarterly report.

3. Whether audit has been performed on this Third Quarter Report

Yes No

Section I. Key financial data

1. Key accounting information and financial indicators

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

Yes No

	Current reporting period	Increase/decrease in current reporting period over the same period of the previous year	From beginning of the year to the end of this reporting period	Increase/decrease from beginning of the year to the end of this reporting period over the same period of the previous year
Operating income (RMB)	937,511,111.22	-43.77%	2,665,849,557.97	-31.54%
Net profit attributable to shareholders of the listed Company (RMB)	160,055,193.08	134.55%	242,036,937.87	129.42%
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains and losses (RMB)	158,847,153.40	153.31%	242,039,799.03	128.78%
Net cash flow from operating activities (RMB)	—	—	-388,473,774.37	-124.44%
Basic earnings per share (RMB/share)	0.03	200.00%	0.04	130.77%
Diluted earnings per share (RMB/share)	0.03	200.00%	0.04	130.77%
Weighted average return on net assets	16.88%	10.84%	26.86%	82.54%
	End of the current reporting period	End of the previous year	Increase/decrease at the end of current reporting period over end of the previous year	
Total assets (RMB)	8,372,112,755.39	8,027,414,353.26	4.29%	
Owner's equity attributable to shareholders of the listed Company (RMB)	1,021,970,873.64	779,933,935.77	31.03%	

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

Applicable Not applicable

Unit: RMB

Items	Amount of current reporting period	Amount from beginning of the year to end of the reporting period	Note
Disposal gains or losses of non-current assets (including the offset part of the provision for asset impairment)	780,393.89	-2,530,257.28	
Government subsidies included in the current gains	796,911.50	3,041,989.05	

and losses (except the ones that are closely related to the normal business of the Company, and are enjoyed fixedly, quantitatively and continuously in accordance with national policies and certain standards)			
Gains or losses from entrusting others to invest or manage assets	0.00	2,429.11	
Other non-operating income and expenses except the items above	-132,669.90	-447,397.91	
Less: Impact on income tax	236,595.81	69,624.13	
Total	1,208,039.68	-2,861.16	--

Details of other gains or losses items that meet the definition of non-recurring gains and losses:

Applicable Not applicable

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

Provide explanations for classifying items of non-recurring gains and losses defined or listed in the *Explanatory Announcement No. 1 for Public Company Information Disclosures – Non-recurring Profits and Losses* as items of recurring gains and losses.

Applicable Not applicable

There is no such case where the Company classifies non-recurring gains and losses items that are listed in the *Explanatory Announcement No. 1 for Public Company Information Disclosures – Non-recurring Profits and Losses* as items of recurring gains and losses.

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

Applicable Not applicable

Items of balance sheet	Amount at the end of the period (RMB)	Amount at the beginning of the period (RMB)	Growth	Note
Monetary fund	1,181,191,992.63	385,328,555.74	206.54%	Mainly due to the increase in external borrowing during the current period.
Investment properties	32,831,505.80	450,260.54	7191.67%	Mainly due to the transfer of the parent company's leased assets to investment properties in the current period.
Right of use assets	774,282,250.33	1,112,202,447.58	-30.38%	Mainly due to the decreased original value of the right-of-use assets resulting from the expiration and early withdrawal of leased houses in the current period.
Short-term borrowings	548,024,722.22	0.00	100.00%	Mainly due to new loans from banks and other financial institutions in the current period.

Payroll payable	339,473,002.21	609,823,739.07	-44.33%	Mainly due to payment of social security that was delayed in previous periods and the decrease in the payroll payable due to the reduction in the number of employees in the current period.
Taxes payable	21,560,022.14	9,593,498.07	124.74%	Mainly due to the provision of value-added tax and additional tax on the income in Q3 2023.
Other payable	1,870,804,948.51	1,096,787,345.65	70.57%	Mainly due to the increase in borrowings from the controlling shareholder in the current period.
Non-current liabilities due within one year	390,635,873.90	578,821,921.03	-32.51%	Mainly due to the decreased payment of rent due within one year and the decrease in newly leased workplaces in the current period.
Items of income statement	Amount in the current period	Amount in the previous period	Growth	Note
Operating income	2,665,849,557.97	3,893,882,283.64	-31.54%	Mainly due to the Company's adjustment of product structure, reduction in branch offices and number of employees resulting in the decline in business collections in the current period.
Operating cost	1,122,949,881.39	2,420,963,306.46	-53.62%	Mainly due to the Company's measures including comprehensive adjustment of product structure, cost reduction and efficiency improvement, and accelerated integration of online and offline operations resulting in effective control of cost in the current period.
Sale fees	536,556,578.58	1,074,477,624.74	-50.06%	Mainly due to the reduction in labor expenses resulting from the Company's cost reduction and efficiency improvement measure including cutting down sales personnel in the current period.
Management fees	383,587,843.44	687,206,762.68	-44.18%	Mainly due to the decrease of management personnel and the reduction of labor expenses on management personnel in the current period.
R&D fees	219,481,184.19	482,232,337.63	-54.49%	Mainly due to the Company's optimization of the R&D team and the decrease of non-core business R&D personnel, resulting in a corresponding reduction in labor expenses in the current period.
Financial expenses	79,854,133.31	201,860,046.51	-60.44%	Mainly due to the decrease in bank loan interest and financial institution service fee in the current period.
Other income	10,458,712.26	41,968,144.89	-75.08%	Mainly due to the reduction in tax incentives and government subsidy in the current period.
Investment income	1,652,189.90	302,234.51	446.66%	Mainly due to investment losses in the previous period.
Income from changes in fair value	0.00	-3,445,201.84	100.00%	Mainly due to no changes in fair value in the current period.
Expected credit loss	-16,138,847.81	-8,956,614.08	-80.19%	Mainly due to the increase in bad debt provision in the current period.
Income from asset disposal	-2,530,257.28	289,728.74	-973.32%	Mainly due to the losses from the liquidation of fixed assets in the current period.
Non-operating expenses	447,397.91	4,786,252.04	-90.65%	Mainly due to the decrease in extraordinary losses in the current period.
Income tax expenses	52,993,027.19	-147,222,566.32	136.00%	Mainly due to the provision of corporate income tax with the realization of profits in the current period.
Items of cash flow statement	Amount in current period	Amount in previous period	Growth	Note
Cash received from sales of goods and rendering of services	1,927,924,573.16	5,730,000,312.04	-66.35%	Mainly due to the Company's adjustment on product structure, significant reduction on the proportion of high-refundable courses and reduction in the number of branches and

				employees resulting in decreased business collections in the current period.
Other cash received related to operating activities	27,615,231.83	50,093,501.17	-44.87%	Mainly due to the decrease in government subsidies in the current period.
Cash for purchasing goods and accepting labor services	274,853,910.95	605,787,718.06	-54.63%	Mainly due to the Company's measures of adjustment on product structure, internal optimization, cost reduction and efficiency improvement resulting in efficient control of cost and decrease in operating expenses and travel expenses.
Cash paid to and for employees	1,641,645,688.67	2,994,758,849.49	-45.18%	Mainly due to the decrease in the number of employees resulting in the corresponding salary payment decrease in the current period.
Cash received from recovery of investments	22,700,000.00	473,468,673.81	-95.21%	Mainly due to the decrease of the purchase of short-term financial product and the corresponding reduction in financial product redemption in the current period.
Cash received from investment income	1,662,269.11	9,809,931.29	-83.06%	Mainly due to the decrease in the financial product purchased in the current period and the corresponding decrease in income from the financial product.
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	1,851,305.25	107,941,393.57	-98.28%	Mainly due to the Company's internal optimization and cost control mechanism resulting in reduction in fixed asset investment.
Cash paid for investments	22,400,000.00	124,141,028.16	-81.96%	Mainly due to the decrease in the purchase of short-term financial product in the current period.
Cash paid for debt	0.00	2,949,000,000.00	-100.00%	Mainly due to no new repayment loans in the current period.
Cash paid for dividends, profits or interest payments	1,346,166.65	50,716,278.78	-97.35%	Mainly due to the decreased interest on loan repayment in the current period.

Section II. Shareholders

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

Unit: share(s)

Total number of common shareholders at the end of reporting period	241,021	Total number of preferred shareholders with restored voting rights at end of the reporting period (if any)	0			
Particulars about shares held by the top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares	Number of shares held with sales restrictions	Pledged, marked or frozen	
					Status of shares	Number of shares
Li Yongxin	Domestic natural person	15.31%	944,407,232.00	729,458,502.00	Pledged	658,807,945.00
Wang Zhendong	Domestic natural person	9.30%	573,799,534.00	570,581,563.00	Pledged	455,586,200.00
Hunan Chasing Fund Management	Other	5.51%	339,820,822.00	0		

Co., Ltd.-Hunan Chasing Changqin No.1 Fund Partnership (Limited Partnership)						
Shaanxi International Trust Co., Ltd.-SIT Yunqi No. 1 Securities Investment Collective Fund Trust Plan	Other	4.94%	304,537,300.00	0		
Shanghai Tuopai Private Funds Management Co., Ltd.-Tuopai Xingfeng No. 9 Private Security Investment Fund	Other	2.30%	141,700,838.00	0		
Guangzhou Kangqi Asset Management Center (Limited Partnership)-Kangqi Asset Chuxin No.1 Private Security Investment Fund	Other	1.75%	108,142,973.00	0		
Lu Zhongfang	Domestic natural person	1.37%	84,679,398.00	0	Pledged	24,000,000.00
Hong Kong Securities Clearing Co., Ltd.	Overseas legal person	1.25%	76,800,877.00	0		
Zhou Xiayun	Domestic natural person	0.92%	56,658,662.00	0		
Beijing Kerui Technology Innovation Investment Center (Limited Partnership)	Domestic non-state-owned legal person	0.89%	54,887,323.00	0		
Particulars about shares held by the top 10 shareholders without sales restrictions						
Name of shareholder	Number of shares held without sales restrictions	Type and number of shares				
		Type of shares	Number of shares			
Hunan Chasing Fund Management Co., Ltd.-Hunan Chasing Changqin No.1 Fund Partnership (Limited Partnership)	339,820,822	RMB common shares	339,820,822			
Shaanxi International Trust Co., Ltd.-	304,537,300	RMB common	304,537,300			

SIT Yunqi No. 1 Securities Investment Collective Fund Trust Plan		shares	
Li Yongxin	214,948,730	RMB common shares	214,948,730
Shanghai Tuopai Private Funds Management Co., Ltd.-Tuopai Xingfeng No. 9 Private Security Investment Fund	141,700,838	RMB common shares	141,700,838
Guangzhou Kangqi Asset Management Center (Limited Partnership)-Kangqi Asset Chuxin No.1 Private Security Investment Fund	108,142,973	RMB common shares	108,142,973
Lu Zhongfang	84,679,398	RMB common shares	84,679,398
Hong Kong Securities Clearing Co., Ltd.	76,800,877	RMB common shares	76,800,877
Zhou Xiayun	56,658,662	RMB common shares	56,658,662
Beijing Kerui Technology Innovation Investment Center (Limited Partnership)	54,887,323	RMB common shares	54,887,323
Luo Huanxiao	39,232,752	RMB common shares	39,232,752
Description of the relationship or concerted action among the above mentioned shareholders	<p>The Company's controlling shareholder and actual controller Lu Zhongfang and Li Yongxin are in a mother-son relationship. Lu Zhongfang, Li Yongxin, and Beijing Offcn Future Information Consulting Center (Limited Partnership) constitute persons acting in concert.</p> <p>It is unknown whether there is an associated relationship among the above-mentioned other shareholders, nor whether the above-mentioned shareholders belong to the parties acting in concert as stipulated in the <i>Administrative Measures on Acquisition of Listed Companies</i>.</p>		
Description of the top 10 shareholders participating in the margin trading and short selling business (if any)	None		

2. Table on the total number of preferred shareholders and shares held by the top 10 preferred shareholders

Applicable Not Applicable

Section III. Other significant events

Applicable Not Applicable

Section IV. Financial statements of the first three quarters

1. Financial statements

(1) Consolidated balance sheet

Company: Offcn Education Technology Co., Ltd.

September 30, 2023

Unit: RMB

Item	September 30, 2023	January 1, 2023
Current assets:		
Monetary funds	1,181,191,992.63	385,328,555.74
Settlement reserve		
Lendings		
Transactional financial assets	500,000.00	
Derivative financial assets		
Notes receivable		
Accounts receivable	38,016,777.58	37,323,682.88
Receivables financing		
Prepayments	480,151.00	556,093.00
Premium receivable		
Accounts receivable reinsurance		
Reserve for reinsurance receivable contracts		
Other receivables	176,792,252.13	193,617,379.76
Including: interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventory		
Contract assets		
Assets held-for-sale		
Non-current assets due within one year		
Other current assets	4,277,493.36	4,559,823.18
Total current assets	1,401,258,666.70	621,385,534.56
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	46,825,873.42	46,835,952.63
Other equity investment	121,300,000.00	121,300,000.00
Other non-current financial assets	27,680,000.00	27,680,000.00
Investment property	32,831,505.80	450,260.54
Fixed assets	1,860,482,140.20	1,970,536,339.75
Construction in progress	326,909,691.07	323,273,645.99
Productive biological assets		
Oil and gas assets		
Right-of-use asset	774,282,250.33	1,112,202,447.58
Intangible assets	1,133,610,693.74	1,162,266,659.34

Development expenditure		
Goodwill	99,867,720.38	99,867,720.38
Long-term prepaid expenses	219,591,241.51	285,134,318.63
Deferred tax assets	674,071,942.75	772,016,405.47
Other non-current assets	1,653,401,029.49	1,654,201,029.49
Total non-current assets	6,970,854,088.69	7,575,764,779.80
Total assets	8,372,112,755.39	8,197,150,314.36
Current liabilities:		
Short-term loan	548,024,722.22	
Borrowing from the central bank		
Borrowings from banks and other financial institutions		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	278,136,693.17	287,088,393.76
Deposit received		
Contract liabilities	3,158,709,581.40	3,949,799,538.71
Financial assets sold for repurchase		
Absorbing deposits and interbank deposits		
Acting trading securities		
Acting underwriting securities		
Payroll payable	339,473,002.21	609,823,739.07
Taxes payable	21,560,022.14	9,593,498.07
Other payable	1,870,804,948.51	1,096,787,345.65
Including: interest payable		
Dividend payable		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held-for-sale		
Non-current liabilities due within one year	390,635,873.90	578,821,921.03
Other current liabilities	94,761,287.44	118,495,201.91
Total current liabilities	6,702,106,130.99	6,650,409,638.20
Non-current liabilities:		
Insurance contract reserve		
Long-term loan		
Bonds payable		
Bonds payable_preferred stock		
Bonds payable_perpetual bond		
Lease liability	436,470,311.32	508,752,253.77
Long-term payables		

Long-term salary payable		
Estimated liabilities		
Deferred income		
Deferred tax liability	211,614,971.54	258,096,085.13
Other non-current liabilities		
Total non-current liabilities	648,085,282.86	766,848,338.90
Total Liabilities	7,350,191,413.85	7,417,257,977.10
Owners' equity:		
Share capital	103,807,623.00	103,807,623.00
Other equity instruments		
Other equity instruments_preferred stock		
Other equity instruments_perpetual bond		
Capital reserve	1,225,481,049.50	1,225,481,049.50
Less: Treasury stock		
Other comprehensive income	6,375,000.00	6,375,000.00
Special reserve		
Surplus reserves	45,000,000.00	45,000,000.00
General risk preparation		
Undistributed profits	-358,692,798.86	-600,729,736.73
Total owner's equity attributable to the parent company	1,021,970,873.64	779,933,935.77
Minority shareholders' equity	-49,532.10	-41,598.51
Owners' equity	1,021,921,341.54	779,892,337.26
Liabilities and owner's equity	8,372,112,755.39	8,197,150,314.36

Legal representative: Wang Zhendong

Person in charge of accounting: Shi Lei

Head of accounting department: Luo Xue

(2) Consolidated income statement from beginning of the year to the end of the reporting period

Unit: RMB

Item	Amount in the current period	Amount in the prior period
I. Total operating income	2,665,849,557.97	3,893,882,283.64
Including: operating income	2,665,849,557.97	3,893,882,283.64
Interest income		
Premium earned		
Fee and commission income		
II. Total operating costs	2,363,821,925.66	4,889,172,465.44
Including: operating cost	1,122,949,881.39	2,420,963,306.46
Interest expense		
Fee and commission expenses		

Surrender money		
Net reimbursement expenditure		
Withdrawal of net insurance liability reserves		
Policyholder dividend expenses		
Reinsurance expenses		
Taxes and surcharges	21,392,304.75	22,432,387.42
Sales expenses	536,556,578.58	1,074,477,624.74
Management expenses	383,587,843.44	687,206,762.68
R&D expenses	219,481,184.19	482,232,337.63
Financial expenses	79,854,133.31	201,860,046.51
Including: interest expenses	18,451,210.96	76,716,263.41
Interest income	398,789.14	6,914,684.21
Add: other income	10,458,712.26	41,968,144.89
Investment income (Loss is listed with “-”)	1,652,189.90	302,234.51
Including: investment income from associates and joint ventures	-10,079.21	
Derecognition income of financial assets measured at amortized cost		
Exchange earnings (Loss is listed with “-”)		
Net exposure hedge income (Loss is listed with “-”)		
Income from changes in fair value (Loss is listed with “-”)		-3,445,201.84
Expected credit loss (Loss is listed with “-”)	-16,138,847.81	-8,956,614.08
Asset impairment loss (Loss is listed with “-”)		
Asset disposal income (Loss is listed with “-”)	-2,530,257.28	289,728.74
III. Operating profit (Loss is listed with “-”)	295,469,429.38	-965,131,889.58
Add: non-operating income		
Less: non-operating expenses	447,397.91	4,786,252.04
IV. Total profit (The total loss is listed with “-”)	295,022,031.47	-969,918,141.62
Less: income tax expenses	52,993,027.19	-147,222,566.32
V. Net profit (Net loss is listed with “-”)	242,029,004.28	-822,695,575.30
i. Classified by business continuity		
1. Net profit from continuing operations (Net loss is listed with “-”)	242,029,004.28	-822,695,575.30
2. Net profit from discontinued operations (Net loss is listed with “-”)		
ii. Classification by ownership		
1. Net profit attributable to the shareholders of the parent company (Net loss is listed with “-”)	242,036,937.87	-822,691,656.02
2. Minority shareholders' gains and losses (Net loss is listed with “-”)	-7,933.59	-3,919.28
VI. Net other comprehensive income		
Net other comprehensive income attributable to the parent company owner		
i. Other comprehensive income that cannot be reclassified into profit or loss		
1. Changes from the remeasurement of the defined benefit plan		

2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of other equity instruments		
4. Changes in fair value of the Company's own credit risk		
5. Other		
ii. Other comprehensive income that will be reclassified into profit or loss		
1. Other comprehensive income of convertible profit and loss under the equity method		
2. Changes in fair value of other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Credit impairment provisions of other debt investment		
5. Cash flow hedge reserve		
6. Foreign currency financial statement translation difference		
7. Other		
Net other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	242,029,004.28	-822,695,575.30
i. Total comprehensive income attributable to owners of the parent company	242,036,937.87	-822,691,656.02
ii. Total comprehensive income attributable to minority shareholders	-7,933.59	-3,919.28
VIII. Earnings per share:		
i. Basic earnings per share	0.04	-0.13
ii. Diluted earnings per share	0.04	-0.13

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

Legal representative: Wang Zhendong

Person in charge of accounting: Shi Lei

Head of accounting department: Luo Xue

(3) Consolidated cash flow statement from beginning of the year to the end of the reporting period

Unit: RMB

Item	Amount in the current period	Amount in the prior period
I. Cash flow from operating activities:		
Cash received from the sale of goods and services	1,927,924,573.16	5,730,000,312.04
Net increase in customer deposits and interbank deposits		
Net increase in borrowing from central bank		
Net increase in funds borrowed from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance business		

Net increase in policyholders' deposits and investment funds		
Cash charged with interest, handling fees and commissions		
Net increase in funds borrowed in		
Net increase in repurchase funds		
Net cash received from agent buying and selling of securities		
Tax refund		
Other cash received related to other business activities	27,615,231.83	50,093,501.17
Subtotal of cash inflow from operating activities	1,955,539,804.99	5,780,093,813.21
Cash paid for the purchase of goods and services	274,853,910.95	605,787,718.06
Net increase in customer loans and advances		
Net increase in deposit of central bank and interbank		
Cash paid for the original insurance contract		
Net increase in borrowed funds		
Cash paid for interest, handling fees and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	1,641,645,688.67	2,994,758,849.49
Various taxes paid	82,066,491.26	102,676,276.00
Other cash paid for business activities	345,447,488.48	487,232,102.77
Subtotal of cash outflows from business activities	2,344,013,579.36	4,190,454,946.32
Net cash flow from operating activities	-388,473,774.37	1,589,638,866.89
II. Cash flows from investing activities:		
Cash received from investment recovery	22,700,000.00	473,468,673.81
Cash received from investment income	1,662,269.11	9,809,931.29
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other business units		
Other cash received related to investing activities		
Subtotal of cash inflows from investment activities	24,362,269.11	483,278,605.10
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	1,851,305.25	107,941,393.57
Cash paid for investment	22,400,000.00	124,141,028.16
Net increase in pledge loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid related to investing activities		
Subtotal of cash outflows from investment activities	24,251,305.25	232,082,421.73

Net cash flows from investing activities	110,963.86	251,196,183.37
III. Cash flow from financing activities:		
Cash received from investment absorption		
Including: cash received from subsidiaries in absorbing minority shareholders' investment		
Cash received from the loan	548,000,000.00	
Other cash received related to fundraising activities	997,000,000.00	
Subtotal of cash inflows from financing activities	1,545,000,000.00	
Cash paid for debt repayment		2,949,000,000.00
Cash paid for dividends, profits or interest payments	1,346,166.65	50,716,278.78
Including: dividends and profits paid by subsidiaries to minority shareholders		
Other cash paid related to financing activities	359,229,668.75	353,781,444.16
Subtotal of cash outflows from financing activities	360,575,835.40	3,353,497,722.94
Net cash flow from financing activities	1,184,424,164.60	-3,353,497,722.94
IV. Effect of the changes of the exchange rate on cash and the equivalents		
V. Net increase in cash and cash equivalents	796,061,354.09	-1,512,662,672.68
Add: balance of cash and cash equivalents at the beginning of the period	380,885,899.37	1,969,806,009.56
VI. Balance of cash and cash equivalents at the end of the period	1,176,947,253.46	457,143,336.88

2. The new Accounting Standards is implemented for the first time since the 2023 and related items of financial statements at the beginning of the year is adjusted.

Applicable Not applicable

Adjustment description

Consolidated balance sheet

Item	January 1, 2023	December 31, 2022	Adjustments
Deferred tax assets	772,016,405.47	602,280,444.37	169,735,961.10
Deferred tax liabilities	258,096,085.13	88,360,124.03	169,735,961.10

3. Auditor's report

Whether this Third Quarter 2023 Report has been audited

Yes No

The Company's Third Quarter 2023 Report has not been audited.

Board of Directors of Offen Education Technology Co., Ltd.

October 27, 2023