

Stock Code: 000100

Stock Abbr.: TCL TECH.

Announcement No.: 2023-063

TCL 科技集团股份有限公司

TCL Technology Group Corporation

TCL

Third Quarter 2023 Report

October 27, 2023

Content

Section I Important Notices and Definitions	3
Section II Key Financial Information	5
Section III Management Discussion and Analysis	7
Section IV Shareholder Information.....	11
Section V Other Significant Events	13
Section VI Quarterly Financial Statements.....	14

Section I Important Notices and Definitions

The Board of Directors (or the “Board”), the Supervisory Committee, directors, supervisors and senior management of TCL Technology Group Corporation (hereinafter referred to as the “Company”) hereby guarantee that this quarterly report is factual, accurate and complete, and shall be jointly and severally liable for any misrepresentations, misleading statements, or material omissions therein.

Mr. Li Dongsheng, the Chairman of the Board, Ms. Li Jian, the person-in-charge of financial affairs (Chief Financial Officer), and Ms. Jing Chunmei, the person-in-charge of the financial department, hereby guarantee that the financial statements carried in this Report are factual, accurate, and complete.

The future plans, development strategies or other forward-looking statements mentioned in this Report shall NOT be considered as promises of the Company to investors. Therefore, investors are kindly reminded to pay attention to possible investment risks.

This Report has not been audited. This Report has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

Definitions

Term	Refers to	Definition
Company, the Company, the Group	Refers to	TCL Technology Group Corporation
The “Reporting Period”, “current period”	Refers to	The period from January 1, 2023 to September 30, 2023.
The “Reporting Period”, “current period”	Refers to	The period from July 1, 2023 to September 30, 2023.
TCL CSOT	Refers to	TCL China Star Optoelectronics Technology Co., Ltd.
TZE	Refers to	TCL Zhonghuan Renewable Energy Technology Co., Ltd., a majority-owned subsidiary of the Company listed on the Shenzhen Stock Exchange (stock code: 002129.SZ)
RMB	Refers to	Renminbi

Section II Key Financial Information

(I) Key accounting data and financial indicators

Indicate whether there is any retrospectively adjusted or restated datum in the table below

Yes No

Earnings per share in the third quarter of 2022 were adjusted due to the conversion of capital reserve into share capital during the Reporting Period

	Q3 2023	Q3 2022		Change	Beginning of the year to the end of the reporting period	Q3 2022		Change
		Before adjustment	After adjustment	After adjustment		Before adjustment	After adjustment	After adjustment
Revenue (RMB)	47,960,309,079	41,992,680,714	41,992,680,714	14.21%	133,109,034,685	126,514,861,842	126,514,861,842	5.21%
Net profit attributable to the company's shareholders (RMB)	1,270,918,405	-382,858,737	-382,858,737	431.95%	1,611,411,994	280,664,134	280,664,134	474.14%
Net profits attributable to the company's shareholders before non-recurring gains and losses (RMB)	1,107,560,913	-1,259,772,878	-1,259,772,878	187.92%	507,494,073	-1,886,642,263	-1,886,642,263	126.90%
Net cash generated from operating activities (RMB)	—	—	—	—	16,144,013,013	12,661,888,660	12,661,888,660	27.50%
Basic earnings per share (RMB/share)	0.0686	-0.0282	-0.0257	366.93%	0.0870	0.0207	0.0188	362.77%
Diluted earnings per share (RMB/share)	0.0677	-0.0280	-0.0255	365.49%	0.0858	0.0205	0.0186	361.29%
Weighted average return on equity (%)	2.46%	-0.99%	-0.99%	Increase by 3.45 percentage points YoY	3.13%	0.72%	0.72%	Increase by 2.41 percentage points YoY
	At the end of the reporting period	December 31, 2022		Change			Change	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment	After adjustment	
Total assets (RMB)	389,212,032,795	359,996,232,668	359,996,232,668	359,996,232,668	359,996,232,668	359,996,232,668	359,996,232,668	8.12%
Owner's equity attributable to the company's shareholders (RMB)	52,331,472,951	50,678,520,477	50,678,520,477	50,678,520,477	50,678,520,477	50,678,520,477	50,678,520,477	3.26%

Note: The Company converted capital reserve into share capital in May 2023, at a rate of 1 share for every ten shares to all shareholders. The Company recalculated the basic earnings per share and the diluted earnings per share for FY2022 in accordance with accounting standards and other regulations.

(II) Non-recurring profit and loss items and amounts
Applicable Not applicable

Unit: RMB

Item	Amount in the reporting period	Amount from the beginning of the year to the end of the reporting period
Gains and losses on disposal of non-current assets (inclusive of impairment allowance write-offs)	-13,604,021	308,149,421
Government subsidies charged to current profits and loss (except for government subsidies closely related to the Company's normal business which comply with national policies and regulations and are enjoyed on an ongoing basis according to certain standard quotas or quantities)	735,377,897	2,002,636,876
The profits or losses generated from changes in fair value arising from held-for-trading financial assets and held-for-trading financial liabilities, as well as return on investment from the disposal of held-for-trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets, except for the effective hedging business related to the Company's normal business operation.	-69,031,849	-111,771,947
Reversal of provision for impairment of receivables that have been individually tested for impairment	10,904,237	13,404,237
Non-operating income and expenses other than the above	-4,429,556	702,991,099
Less: Corporate income tax	166,912,976	531,434,692
Non-controlling interests (net of tax)	328,946,240	1,280,057,073
Total	163,357,492	1,103,917,921

Details of other profit and loss items that meet the definition of non-recurring profits and losses:

 Applicable Not applicable

The Company has no other profit and loss items that meet the definition of non-recurring profits and losses.

Notes on non-recurring profit and loss items that which is listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-Recurring Gain/Loss* shall be used to define Recurring Gain/Loss items

 Applicable Not applicable

The Company does not have any non-recurring profit and loss items listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-Recurring Gain/Loss* that are defined as recurring profit and loss items.

(III) Changes of key accounting data and financial indicators and reasons therefor
Applicable Not applicable

Unit: RMB

Balance Sheet items	Ending balance	Beginning balance	Increase / decrease ratio (%)	Reason for change
Held-for-trading financial assets	17,015,862,288	12,703,507,482	33.9	Mainly caused by an increase in wealth management products
Accounts receivable	25,259,972,511	14,051,661,462	79.8	Mainly caused by an expansion of sales, an increase in accounts receivables
Cash Flow Statement items	Current balance	Prior balance	Increase / decrease ratio (%)	Reason for change
Net cash generated from financing activities	7,657,735,025	24,068,689,896	-68.2	Mainly caused by a decrease in financing activities

Section III Management Discussion and Analysis

The global economic growth rate slowed down this year, being influenced by such factors as intensifying geopolitical tensions, stubbornly high inflation, and tightening policies adopted by certain economies to address inflation. In the face of such a complex and challenging external environment, the Company focused on two core industries of display and new energy photovoltaic, so as to strengthen operational resilience and optimize business strategies in pursuit of sustainable and high-quality development. From January to September 2023, the Company achieved an operating revenue of RMB133.1 billion, up 5.2% year on year; net profits of RMB5.57 billion, up 185% year on year; net profit attributable to shareholders of the listed company of RMB1.61 billion, up 474% year on year; and net operating cash flow of RMB16.14 billion.

As the international relocation of display production capacity gradually drew to an end, the competitive landscape of display industry had leveled out. The industry had returned to a stage of orderly development based on reasonable business returns, and enterprises continuously optimized their business strategies to promote the gradual recovery of the industry. During the Reporting Period, display industry enjoyed a stable supply and demand relationship, large-sized display products drove the area of demand increase steady and the prices of mainstream products, such as TV panels, again rose to the range of profitability. The Company continued to upscale its products, and further optimized its business structure. In the third quarter, the display business recorded a revenue of RMB25.68 billion, net profit of RMB1.82 billion, accompanied by vastly improved profitability.

With the structural transformation of global energy, the Company's new energy photovoltaic business continued to consolidate its leading advantages in both technologies and intelligent manufacturing, improved its synergistic role in congruence with the industry chain, pro-actively expanded its global presence, and achieved robust growth in both scale and performance of production and sales. During the Reporting Period, TZE registered an operating revenue of RMB48.65 billion and net profit of RMB6.58 billion, up 19.9% year on year.

Display Business

During the Reporting Period, the end-user demand for display maintained stability amid fluctuation, manifested a trend of seasonal improvement, while the popularity of larger-sized TVs

continued to drive growth in demand areas. The ever-improving supply-side landscape had further galvanized the healthy development of the industry, and catalyzed the uptick in prices of large-sized panels at the beginning of this March. The prices of small and medium-sized panels gradually stabilized. Driven by downstream new product launches and stockpiling, small-sized panels suffered from structural capacity shortages in the third quarter which led to product price increases.

TCL CSOT maintained healthy inventory through flexible production scheduling strategies, expedited operational turnover, and consistently improved its business and product structure. Rising product prices also evidenced the improvement of quarter-on-quarter operational performance. In the first three quarters of 2023, the display business achieved an revenue of RMB61.2 billion, up by 17.5% year on year, including revenue of RMB25.68 billion in the third quarter, represented an increase of 73.0% year on year, or 25.8% quarter on quarter; and achieved net profit of RMB1.82 billion, turned losses into gains in the third quarter and resulted in both YoY and QoQ growth.

In large-sized segment, TCL CSOT had taken full advantages of the high-generation production lines, and led the industry by its large-sized panels. TCL CSOT consolidated its top 2 position in the global market share of TV panels. TCL CSOT's proportion of shipping area of TV products with sizes of 55 inches and above had increased to 79%, while the market share of 55-inch and 75-inch products ranked first in the world, the market share of 65-inch products ranked second in the world. In commercial markets such as interactive whiteboards, digital signage, and splicing screens, TCL CSOT ranked among the top three in terms of global market share. In its medium-sized products business, the t9 production line successfully achieved a capacity increase, with expanding market share, and the Company continued to optimize the layout of its product and customer structure. The Company's shipment of monitors jumped to a ranking of third in the world, with e-sports monitors occupied the largest percentage of market share worldwide. Products for laptops and vehicle-mounted devices were introduced to major brands worldwide at an accelerated rate. In its small-sized products business, the Company consolidated its competitiveness through technological innovation. The Company ranked among the top three in the world in terms of LTPS mobile panel shipments. The G6 LTPS production line was expanded as planned to meet demands for multi-purpose products. The utilization of the t4 flexible OLED production line was significantly improved, with increasing shares of high-end products. In the third quarter, the Company ascended to fourth place globally in terms of market share for flexible OLED.

Looking ahead into the fourth quarter, with further improvements in the competitive landscape and new development trends based on reasonable business returns, the display industry will maintain supply-demand balance as well as developing in a long-term, orderly, and healthy manner. The prices of large-sized display products are subject to a moderate degree of seasonal variation. The prices of medium-sized products have stabilized, while small-sized products see a higher utilization rate and rising prices in certain areas because of demands for new products. The Company is confident that its display business will continue to operate steady in the fourth quarter.

New Energy Photovoltaics Business

In the first three quarters of 2023, the photovoltaics industry witnessed intensifying competition in key sectors, drove prices downward throughout the industrial chain. Be that as it may, the economic viability of photovoltaic power generation improved, impelled a steady increase in installation capacity at the terminal end. The photovoltaic industry would return to technological innovation and manufacturing prowess in terms of core competitiveness. TZE gave full play to its rights of defining, benchmarking, and pricing through the improvement of technologies and manufacturing, consolidated its leading position in the market and achieved steady performance growth. During the Reporting Period, TZE registered an operating revenue of RMB48.65 billion and net profit of RMB6.58 billion, up 19.9% year on year.

The production capacity of G12 and N-type photovoltaic materials continued to increase. TZE enhanced the layout of TOPCON cells and shingled modules, and strengthened its differentiated competitiveness. During the Reporting Period, the Company's production and sales of photovoltaic materials rose by 68% year on year, with G12 silicon wafers occupied the largest share of the global market, while N-type silicon wafers also secured pole position in terms of market share of sales. The Company led the upgrade of large-sized, thin-slice, thin-line process technologies for crystals and wafers. The Company excelled in metrics such as the monthly crystal output per furnace, volume of wafer output per kg, and significantly enhanced its leadership position in terms of cost management. To improve industrial synergy, the Company built a demonstration production line for G12 cells with annual output of 2GW in the Jiangsu province, and invested in and constructed an intelligent 25GW N-type TOPCON plant for solar power cells, expedited the development of shingled module projects.

By virtue of the capability of the Industry 4.0 technology in flexible manufacturing and the

strategic partnership with the international community, TZE accelerated to deploy a layout in the global commercial market. Having relied on long-term investment and development in smart manufacturing over the years, the Company had applied Industry 4.0 flexible manufacturing in various industries, created autonomously coordinated and highly efficient dark factories, which enabled the Company to achieve industry-leading productivity, with a competitive advantage in localized manufacturing on a global scale. The Company signed the *Joint Development Agreement* with Vision Industries Company, with a view to jointly investing in and establishing a photovoltaic crystal and wafer factory in Saudi Arabia with a designed capacity of 20GW in its first phase. Given to Maxeon's intellectual properties and technology advantages in IBC cell-modules and shingled modules, the Company and Maxeon had achieved mutually reinforced and coordinated development in terms of production and channels globally. These efforts will further accelerate the future growth of the Company's overseas business.

Looking ahead to the future, the display industry has entered a new phase of development amid a reshaped competitive landscape. By continuously developing its capabilities in response to demand fluctuations, the Company is expecting consistently improving returns on its display business. TZE will continue to take advantage of its leading position in terms of G12 and N-type strategic products, intensify the synergistic expansion of modules and cells, and actively expand its international business. Under such a backdrop, the Company's new energy photovoltaic business will experience robust growth. The Company will seize opportunities from manufacturing upgrades and global clean energy transformation, continue to implement its business strategy of “improving operational quality and efficiency, enhancing strengths to shore up weaknesses, innovation-driven development as well as accelerating global expansion” to achieve sustainable and high-quality development, and turn itself into a global leader.

Section IV Shareholder Information

(I) Table of the total number of ordinary shareholders and the number of preferred shareholders with resumed voting rights as well as the shareholdings of the top 10 shareholders

Unit: Share

Total number of ordinary shareholders by the end of the reporting period		622,787	Total number of preferred shareholders with resumed voting rights by the end of the reporting period (if any)		0	
Shareholdings of top 10 shareholders of ordinary shares						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of restricted shares held	Shares in pledge, marked or frozen	
					Status	Shares
Li Dongsheng and his acting-in-concert party	Domestic individual/ Domestic general legal entity	6.73%	1,264,053,189	672,868,839	Put in pledge by Li Dongsheng	100,320,000
					Put in pledge by Jitian Liancheng	308,057,743
Hong Kong Securities Clearing Company Ltd.	Foreign legal entity	5.67%	1,065,125,357			
Huizhou Investment Holding Co., Ltd.	State-owned legal entity	4.35%	817,453,824			
Wuhan Optics Valley Industrial Investment Co., Ltd.	State-owned legal entity	2.83%	532,003,016		Pledge	149,000,000
China Securities Finance Corporation Limited	Domestic general legal entity	2.19%	410,554,710			
CITIC Securities Co., Ltd.	State-owned legal entity	1.48%	277,627,874			
Perseverance Asset Management Partnership (Limited Partnership) - Gaoyi Xiaofeng No. 2 Zhixin Fund	Fund, wealth management product, etc.	1.21%	226,736,512			
Bank of China Limited - Huatai-Pinebridge CSI Photovoltaic Industry ETF	Fund, wealth management product, etc.	0.96%	179,627,610			
China Foreign Economy and Trade Trust Co., Ltd. - Foreign trade trust - Gaoyi Xiaofeng Hong Yuan Collective Fund Trust Scheme	Fund, wealth management product, etc.	0.90%	168,599,830			
China Securities Co., Ltd. - Tianhong CSI Photovoltaic Industry ETF	Fund, wealth management product, etc.	0.75%	141,775,320			
Shareholdings of top 10 non-restricted ordinary shareholders						
Name of shareholder	Number of non-restricted ordinary shares held at the end of reporting period			Share type and quantity		
				Type	Quantity	
Hong Kong Securities Clearing Company Ltd.	1,065,125,357			RMB-denominated ordinary shares	1,065,125,357	
Huizhou Investment Holding Co., Ltd.	817,453,824			RMB-denominated ordinary shares	817,453,824	
Li Dongsheng and his acting-in-concert party	591,184,350			RMB-denominated ordinary shares	591,184,350	
Wuhan Optics Valley Industrial Investment Co., Ltd.	532,003,016			RMB-denominated ordinary shares	532,003,016	
China Securities Finance Corporation Limited	410,554,710			RMB-denominated ordinary shares	410,554,710	
CITIC Securities Co., Ltd.	277,627,874			RMB-denominated ordinary shares	277,627,874	
Perseverance Asset Management Partnership (Limited Partnership) - Gaoyi Xiaofeng No. 2 Zhixin Fund	226,736,512			RMB-denominated ordinary shares	226,736,512	

Bank of China Limited - Huatai-Pinebridge CSI Photovoltaic Industry ETF	179,627,610	RMB-denominated ordinary shares	179,627,610
China Foreign Economy and Trade Trust Co., Ltd. - Foreign trade trust - Gaoyi Xiaofeng Hong Yuan Collective Fund Trust Scheme	168,599,830	RMB-denominated ordinary shares	168,599,830
China Securities Co., Ltd. - Tianhong CSI Photovoltaic Industry ETF	141,775,320	RMB-denominated ordinary shares	141,775,320
Note on the above shareholders' associations or concerted actions	Mr. Li Dongsheng, one of the top 10 shareholders, and Ningbo Jiutian Liancheng Equity Investment Partnership (Limited Partnership) became persons acting in concert by signing the <i>Agreement on Concerted Action</i> , holding 1,264,053,189 shares in total and becoming the largest shareholder of the Company. The Company is not aware of any affiliation or concerted action among the other aforementioned shareholders.		
Explanation on the top 10 ordinary shareholders participating in securities margin trading (if any)	At the end of the reporting period: 1. Mr. Li Dongsheng and his acting-in-concert party, Huizhou Investment Holding Co., Ltd., and Wuhan Optics Valley Industrial Investment Co., Ltd. did not participate in refinancing business. In addition, the Company is not aware of any other shareholder engaging in refinancing business. 2. The top 10 shareholders indicated above did not hold any stock of the Company via any margin accounts.		

(II) Total number of preferred shareholders and shareholdings of the top 10 preferred shareholders

Applicable Not applicable

Section V Other Significant Events

1. Derivative investment for hedging purposes during the reporting period

Unit: RMB'0,000

Type of contract	Beginning amount		Ending amount		Profit or Loss During the Reporting Period	Ending contractual amount as % of the Company's ending net assets	
	Contractual amount	Transaction limit	Contractual amount	Transaction limit		Contractual amount	Transaction limit
1. Forward forex contracts	2,062,172	73,441	3,385,069	129,988	-3,892	23.32	0.90
2. Interest rate swaps	384,446	11,533	148,851	4,466		1.03	0.03
Total	2,446,618	84,974	3,533,920	134,454	-3,892	24.34	0.93
Accounting policies and specific accounting principles for hedging business during the Reporting Period and a description of whether there have been significant changes from those of the previous reporting period	No significant change						
Description of actual profits and losses during the Reporting Period	During the Reporting Period, profit from change in fair value of hedged items was RMB285.31 million; profit/loss arising from delivery of maturing forward exchange contracts was -RMB453.60 million; and profit/loss arising from valuation of effective forward exchange contracts was RMB129.37 million.						
Description of the hedging effect	During the Reporting Period, the Company's main foreign exchange risk exposures included foreign currency asset and liability exposures arising from business activities such as outbound sales, raw materials procurement, and financing. The uncertain risks arising from the exchange rate fluctuations were effectively hedged by derivative contracts with the same purchase amounts and terms in the opposite direction.						

2. Other Significant Events During the Reporting Period

Applicable Not Applicable

Section VI Quarterly Financial Statements

(I) Financial statements

1. Consolidated Balance Sheet

Prepared by: TCL Technology Group Corporation

Unit: RMB

Item	September 30, 2023	January 01, 2023
Current assets:		
Monetary assets	29,555,316,954	35,378,501,261
Settlement reserves		
Funds on loan		
Held-for-trading financial assets	17,015,862,288	12,703,507,482
Derivative financial assets	173,048,603	361,034,230
Notes receivable	440,791,529	512,848,988
Accounts receivable	25,259,972,511	14,051,661,462
Receivables financing	1,199,510,501	1,103,127,764
Prepayments	3,919,752,013	3,593,856,572
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract provisions receivable		
Other receivables	4,257,727,145	4,033,248,387
Of which: Interests receivable		
Dividends receivable		1,226,086
Financial assets purchased under sale-back agreement		
Inventories	19,764,196,521	18,001,121,855
Contract assets	221,243,875	315,167,085
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	5,998,663,756	5,438,935,717
Total current assets	107,806,085,696	95,493,010,803
Non-current assets:		
Loans and advances to customers		
Debt investments	528,993,993	741,703,137
Other debt investments		
Long-term receivables	616,420,554	631,372,701
Long-term equity investments	30,456,209,044	29,256,215,804
Investments in other equity instruments	396,036,493	439,996,263
Other non-current financial assets	4,481,682,741	2,928,827,232
Investment property	887,185,942	946,449,125
Fixed assets	153,896,990,033	132,477,671,844
Construction in progress	37,572,331,212	52,053,833,629
Productive biological assets		
Oil and gas assets		
Right-of-use assets	6,159,717,031	5,110,123,904
Intangible assets	18,081,584,593	16,783,930,537
Development costs	2,428,635,648	3,179,207,056
Goodwill	10,385,265,330	9,161,852,161
Long-term deferred expenses	3,350,854,184	2,744,208,125
Deferred income tax assets	2,574,282,379	1,753,887,430
Other non-current assets	9,589,757,922	6,293,942,917

Total non-current assets	281,405,947,099	264,503,221,865
Total assets	389,212,032,795	359,996,232,668
Current liabilities:		
Short-term borrowings	10,134,151,406	10,215,910,963
Borrowings from the Central Bank	715,606,494	777,676,330
Borrowed funds		
Held-for-trading financial liabilities	764,455,192	861,911,768
Derivative financial liabilities	218,790,559	70,734,905
Notes payable	3,068,249,954	6,365,659,580
Accounts payable	32,018,005,100	26,381,911,940
Advances from customers	685,922	1,402,178
Contract liabilities	2,507,095,482	2,336,008,164
Financial assets sold under repurchase agreements		
Customer deposits and deposits from other banks and financial institutions	203,141,843	603,423,212
Funds for brokering securities transaction		
Funds for brokering securities underwriting		
Employee salaries payable	2,610,934,481	2,376,932,722
Taxes and levies payable	1,229,479,209	1,215,591,227
Other payables	22,611,884,909	24,190,353,350
Of which: Interests payable		
Dividends payable	55,083,448	40,010,329
Service charges and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	13,262,490,063	10,957,320,562
Other current liabilities	1,554,607,747	1,185,847,619
Total current liabilities	90,899,578,361	87,540,684,520
Non-current liabilities:		
Insurance contract provisions		
Long-term borrowings	130,504,280,714	118,603,164,839
Bonds payable	9,579,298,359	12,006,850,805
Of which: Preferred shares		
Perpetual bonds		
Lease liabilities	5,533,381,892	4,461,382,902
Long-term payables	3,202,300,378	887,762,713
Long-term employee compensation payable	47,304,888	472,538,409
Estimated liabilities	114,747,324	97,521,975
Deferred income	2,298,308,610	2,468,144,649
Deferred income tax liabilities	1,862,112,771	1,319,428,442
Other non-current liabilities		
Total non-current liabilities	153,141,734,936	140,316,794,734
Total liabilities	244,041,313,297	227,857,479,254
Owner's equity:		
Capital share	18,779,080,767	17,071,891,607
Other equity instruments		
Of which: Preferred shares		
Perpetual bonds		
Capital reserves	10,945,727,155	12,522,792,596
Less: Treasury share	1,119,036,126	1,314,581,308
Other comprehensive income	-1,094,921,020	-811,821,600
Specific reserves	2,301,029	2,301,029
Surplus reserves	3,712,272,814	3,712,272,814
General risk reserve	8,933,515	8,933,515
Retained earnings	21,097,114,817	19,486,731,824
Total equity attributable to the owners of the parent company	52,331,472,951	50,678,520,477
Non-controlling interests	92,839,246,547	81,460,232,937

Total owner's equity	145,170,719,498	132,138,753,414
Total liabilities and owner's equity	389,212,032,795	359,996,232,668

Legal representative: Person-in-charge of Financial affairs: Person-in-charge of the Financial Department:
Li Dongsheng Li Jian Jing Chunmei

2. Consolidated Income Statement from the Beginning of the Year to the End of the Reporting Period

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Total revenue	133,165,997,183	126,575,669,585
Including: operating revenue	133,109,034,685	126,514,861,842
Interest income	56,962,498	60,807,743
Earned premiums		
Service charge and commission income		
II. Total costs	129,007,796,700	128,949,175,733
Of which: Operating cost	113,643,241,301	114,950,650,732
Interest expenditures	14,379,206	18,341,537
Service charge and commission expenditures		
Surrender value		
Net claims payment		
Net insurance liability provisions accrued		
Policy dividend expenditures		
Reinsurance expenses		
Taxes and levies	603,630,830	450,506,832
Sales expenses	1,831,309,694	1,456,590,197
Administrative expenses	3,044,021,757	2,739,873,088
R&D expenses	7,201,406,325	6,862,053,578
Financial expenses	2,669,807,587	2,471,159,769
Including: Interest expenses	3,731,262,986	3,156,169,091
Interest income	857,965,962	574,239,059
Plus: Other income	1,762,418,772	2,527,046,371
Return on investment (losses are indicated by "-")	2,442,260,295	2,945,923,073
Of which: Share of profit or loss of joint ventures and associates	1,205,559,646	2,162,708,733
Income from derecognition of financial assets measured at amortised costs		
Exchange gains (losses are indicated by "-")	-57,583	17,243,641
Gain on net exposure hedging (losses are indicated by "-")		
Gain on changes in fair value (losses are indicated by "-")	372,289,148	174,313,519
Credit impairment losses (losses are indicated by "-")	-106,792,302	-21,497,079
Asset impairment losses (losses are indicated by "-")	-2,432,074,536	-2,147,817,307
Income from asset disposal (losses are indicated by "-")	-23,258,312	-24,703,658
III. Operating profit (losses are indicated by "-")	6,172,985,965	1,097,002,412
Plus: Non-operating income	61,847,094	613,528,624

Less: Non-operating expenses	158,935,459	97,681,058
IV. Gross profit (gross loss is indicated by "-")	6,075,897,600	1,612,849,978
Less: Income tax expenses	507,453,577	-339,091,631
V. Net profits (net losses are indicated by "-")	5,568,444,023	1,951,941,609
(I) Classification by business continuity		
1. Net profits from continuing operations (net losses are indicated by "-")	5,568,444,023	1,951,941,609
2. Net profits from discontinued operations (net losses are indicated by "-")		
(II) Classification by ownership		
1. Net profit attributable to the owners of the parent company (net loss is indicated by "-")	1,611,411,994	280,664,134
2. Net profit attributable to non-controlling interests (net loss is indicated by "-")	3,957,032,029	1,671,277,475
VI. Other comprehensive income, net of tax	-350,450,809	-600,216,587
Other comprehensive income attributable to the owners of the parent company, net of tax	-283,099,420	-657,794,348
(I) Other comprehensive income that will not be reclassified to profit or loss	-42,627,164	-38,664,611
1. Changes arising from remeasurement of defined benefit plans		
2. Other comprehensive income that cannot be subsequently reclassified into profits and losses under the equity method	5,512,131	387,914
3. Changes in fair value of investments in other equity instruments	-48,139,295	-39,052,525
4. Changes in fair value of the enterprise's own credit risks		
5. Others		
(II) Other comprehensive income that may subsequently reclassified into profit and losses	-240,472,256	-619,129,737
1. Other comprehensive income that can be transferred to profits and losses under the equity method	29,601,657	4,527,850
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provisions for credit impairment of other debt investments		
5. Reserves for cash flow hedging	-202,298,071	-178,024,905
6. Conversion differences in foreign currency financial statements	-67,775,842	-445,632,682
7. Others		-
Other net comprehensive income attributable to minority interests, net of tax	-67,351,389	57,577,761
VII. Total comprehensive income	5,217,993,214	1,351,725,022
(I) Total comprehensive income attributable to the owners of the parent company	1,328,312,574	-377,130,214
(II) Total comprehensive income attributable to minority shareholders	3,889,680,640	1,728,855,236
VIII. Earnings per share:		
(I) Basic earnings per share	0.0870	0.0188
(II) Diluted earnings per share	0.0858	0.0186

Legal representative: Person-in-charge of Financial affairs: Person-in-charge of the Financial Department:

Li Dongsheng

Li Jian

Jing Chunmei

3. Consolidated Cash Flow Statement from the Beginning of the Year to the End of the Reporting Period

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Net cash generated from operating activities:		

Proceeds from sale of commodities and rendering of services	101,241,792,349	100,750,626,818
Net increase of deposits from customers, banks and other financial institutions	-400,281,369	89,255,314
Net increase of borrowings from the Central Bank	-62,069,836	-615,194,941
Net increase of borrowings from other financial institutions		
Cash received from collecting premiums for original insurance contracts		
Net cash received for reinsurance business		
Net increase of deposits and investments of policyholders		
Cash received from interest, service charges and commissions	56,962,498	60,807,743
Net increase of borrowed funds from banks and other financial institutions		
Net increase of repurchase business funds		
Net cash received from brokering securities transaction		
Tax and levy rebates	6,897,140,163	9,008,513,808
Cash generated from other operating activities	6,549,758,540	6,499,913,125
Sub-total of cash generated from operating activities	114,283,302,345	115,793,921,867
Payments for commodities and services	77,969,681,520	83,453,908,540
Net increase of loans and advances to customers	-20,126,492	40,873,048
Net increase of deposits with the Central Bank, banks and other financial institutions	-94,966,195	55,082,779
Cash paid for claims for original insurance contracts		
Net increase of funds on loan		
Cash paid for interest, service charges and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	8,675,722,473	8,563,502,480
Taxes and levies paid	3,042,877,731	2,472,457,316
Cash used in other operating activities	8,566,100,295	8,546,209,044
Sub-total of cash used in operating activities	98,139,289,332	103,132,033,207
Net cash generated from operating activities	16,144,013,013	12,661,888,660
II. Net cash generated from investment activities:		
Proceeds from disinvestments	36,407,981,056	36,317,483,105
Proceeds from return on investments	1,443,449,707	1,015,752,094
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	157,900,475	82,138,786
Net proceeds from disposal of subsidiaries and other business units		
Cash generated from other investing activities	1,675,476,985	107,866,294
Sub-total of cash generated from investment activities	39,684,808,223	37,523,240,279
Payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets	22,058,677,309	31,453,416,391
Payments for investments	46,043,068,029	44,706,020,240
Net increase of pledged loans		
Net payments for acquiring subsidiaries and other business units	342,527,176	50,133,077
Cash used in other investing activities	679,513,856	657,451,880
Subtotal of cash used in investing activities	69,123,786,370	76,867,021,588
Net cash used in investing activities	-29,438,978,147	-39,343,781,309
III. Net cash generated from financing activities:		
Capital contributions received	3,227,627,076	8,440,501,173
Of which: Net capital contributions by non-controlling interests to subsidiaries	3,227,627,076	8,440,501,173
Borrowings raised	59,814,243,560	73,945,824,297
Cash generated from other financing activities	3,288,722,855	46,000,000
Sub-total of cash generated from financing activities	66,330,593,491	82,432,325,470
Cash paid for debt repayment	46,877,621,540	46,000,724,997

Cash paid for distribution of dividends and profits or the repayment of interest	5,260,345,180	7,638,841,951
Of which: Dividends and profits distributed by subsidiaries to minority shareholders	334,580,641	1,667,403,525
Cash used in other financing activities	6,534,891,746	4,724,068,626
Subtotal of cash used in financing activities	58,672,858,466	58,363,635,574
Net cash generated from financing activities	7,657,735,025	24,068,689,896
IV. Effect of exchange rate changes on cash and cash equivalents	72,098,972	616,824,475
V. Net increase in cash and cash equivalents	-5,565,131,137	-1,996,378,278
Plus: Beginning balance of cash and cash equivalents	33,675,624,291	30,081,704,864
VI. Ending balance of cash and cash equivalents	28,110,493,154	28,085,326,586

(II) Adjustments to financial statement items at the beginning of the year of the first implementation of the new accounting standards which have been implemented since 2023

Applicable Not Applicable

(III) Auditor's Report

Whether the Third Quarter Report has been audited or not?

Yes No

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

TCL Technology Group Corporation

Board of Directors

October 27, 2023