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ZTE

ZTE CORPORATION

中興通訊股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 763)

2024 FIRST QUARTERLY REPORT

The Company and all the members of the Board of Directors confirm that all the information contained in this information disclosure is true, accurate and complete and that there is no false and misleading statement or material omission in this information disclosure.

This announcement is published simultaneously in the Mainland in accordance with the Rules Governing Listing of Stocks on The Shenzhen Stock Exchange and in Hong Kong in accordance with the disclosure obligations under Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions set out in Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

§1 IMPORTANT

- 1.1 The Board of Directors, Supervisory Committee and the Directors, Supervisors and senior management of ZTE Corporation (“ZTE” or the “Company”) warrant that the contents of this quarterly report are true, accurate and complete without false information, misleading statements or material omissions, and collectively and individually accept responsibility therefor.
- 1.2 This quarterly report has been considered and approved at the Twenty-first Meeting of the Ninth Session of the Board of Directors of the Company held on 25 April 2024. All Directors have attended the meeting in person.
- 1.3 Mr. Li Zixue, Chairman of the Company, Ms. Li Ying, Chief Financial Officer of the Company and Mr. Xu Jianrui, Head of Finance Division of the Company, hereby declare that they warrant the truthfulness, accuracy and completeness of the financial statements contained in this report.
- 1.4 The financial statements contained in this quarterly report are unaudited. The financial information contained in this quarterly report has been prepared in accordance with PRC Accounting Standards for Business Enterprises.

1.5 All monetary amounts set out in this quarterly report are expressed in RMB.

1.6 This quarterly report is published in both Chinese and English. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

§2 MAJOR FINANCIAL DATA

2.1 Major accounting data and financial indicators of the Company and its subsidiaries (the “Group”)

Statement on retrospective adjustments to or restatement of accounting data for the previous year by the Company because of changes in accounting policies and rectification of accounting errors

Applicable N/A

Item	The reporting period (Three months ended 31 March 2024)	Same period last year (Three months ended 31 March 2023)	Increase/decrease for the reporting period compared with the same period last year
Operating revenue (RMB in thousands)	30,578,301	29,142,882	4.93%
Net profit attributable to holders of ordinary shares of the listed company (RMB in thousands)	2,740,979	2,642,269	3.74%
Net profit after extraordinary items attributable to holders of ordinary shares of the listed company (RMB in thousands)	2,649,236	2,454,518	7.93%
Net cash flows from operating activities (RMB in thousands)	2,982,601	2,325,584	28.25%
Basic earnings per share (RMB/share)	0.57	0.56	1.79%
Diluted earnings per share (RMB/share)	0.57	0.56	1.79%
Weighted average return on net assets (%)	3.94%	4.41%	Decreased by 0.47 percentage point

Item	As at the end of the reporting period (31 March 2024)	As at the end of last year (31 December 2023)	Increase/decrease as at the end of the reporting period compared with the end of last year
Total assets (RMB in thousands)	208,466,634	200,958,318	3.74%
Owners' equity attributable to holders of ordinary shares of the listed company (RMB in thousands)	70,867,087	68,008,307	4.20%

2.2 Extraordinary gains or losses items and amounts

Unit: RMB in thousands

Extraordinary item	Amount Three months ended 31 March 2024
Gain from disposal of non-current assets	3,856
Investment gain from disposal of investment in associates and joints	3,029
Gains or losses from fair value change arising from financial assets and financial liabilities and gains or losses from disposal of financial assets and financial liabilities held by the Company, excluding the effective-value protection hedge business relating to the ordinary business of the Company	(138,045)
Write-back of provision for individually tested receivable impairment	2,291
Other gains other than income from software VAT rebate and income from refund of handling charge for withholding personal tax	62,579
Net of other non-operating income and expenditure other than the above	(9,513)
Other gains/losses falling under the definition of extraordinary gain/loss	185,792
Less: Effect of income tax	16,498
Effect of non-controlling interest (after tax)	1,748
Total	91,743

The Group recognised extraordinary items of gain or loss in accordance with provisions under the “Explanatory Announcement No. 1 for Information Disclosure by Public Issuer of Securities — Extraordinary Items” (Amended 2023). The following items, which are set out in the provisions as extraordinary items, have been categorised as recurring items:

Unit: RMB in thousands

Item	Three months ended 31 March 2024	Reasons
Income from VAT rebate for software products	547,800	Operational on an ongoing basis
Income from refund of handling charge for withholding personal tax	33,369	Operational on an ongoing basis
Gain from disposal of equity interests in Shenzhen ZTE Capital Management Company Limited (“ZTE Capital”) and gain from fair-value change	17,973	Business with the scope of operation of ZTE Capital

2.3 Substantial changes in key financial data and financial indicators of the Company and the reasons thereof

Unit: RMB in thousands

Balance sheet				
Item	31 March 2024	31 December 2023	Change	Analysis of reasons for changes
Trading financial assets	100,646	153,285	(34.34%)	Attributable mainly to the disposal of listed equities held by subsidiary fund partnership enterprises under ZTE Capital for the period
Receivable financing	2,812,997	4,074,078	(30.95%)	Attributable mainly to the increase in unexpired bill discounting for the period
Prepayments	334,373	242,440	37.92%	Attributable mainly to the increase in prepayments for purchases from third parties for the period
Non-current liabilities due within one year	4,758,148	3,001,598	58.52%	Attributable mainly to the increase in long-term borrowings due within one year for the period
Income Statement				
Item	Three months Ended 31 March 2024	Three months Ended 31 March 2023	Change	Analysis of reasons for changes
Finance costs	(63,793)	(181,535)	64.86%	Attributable mainly to the exchange loss due to exchange rate fluctuations for the period versus gain for the same period last year and the adoption of hedge accounting in relation to fair-value hedges
Other income	856,207	507,075	68.85%	Attributable mainly to the increase in gains benefitting from the additional VAT credit policy for the period
Investment income	(131,304)	28,020	(568.61%)	Attributable mainly to the decrease in investment income from disposal of equity assets held by subsidiaries for the period
Gains from changes in fair values	(171,295)	(266,051)	35.62%	Attributable mainly to the decrease in the transfer of the disposal of equity assets held by the subsidiaries from gains from changes in fair values to investment income for the period
Credit impairment losses (loss indicated by negative value)	(32,226)	(102,927)	(68.69%)	Attributable mainly to the decrease in receivable impairment provision for the period

Item	Three months Ended 31 March 2024	Three months Ended 31 March 2023	Change	Analysis of reasons for changes
Gains from asset disposal	3,856	7,844	(50.84%)	Attributable mainly to the decrease in gain from disposal of non-current assets for the period
Non-operating income	8,726	25,822	(66.21%)	Attributable mainly to the decrease in compensatory income received from third parties for the period
Non-operating expenses	18,239	49,022	(62.79%)	Attributable mainly to the decrease in non-operating loss for the period
Non-controlling interests	20,206	(28,480)	170.95%	Attributable mainly to the profit reported by certain subsidiaries in which the Group had a higher percentage of shareholding for the period versus loss for the same period last year
Effective portion of hedge instruments	2,440	916	166.38%	Attributable mainly to the increase in gain on fair-value remeasurement at the end of period of hedging instruments for the period
Exchange differences on translation of foreign operations	(53,913)	(126,150)	57.26%	Attributable mainly to decrease in loss on translation of statements in foreign currency due to exchange rate fluctuations for the period
Other comprehensive income attributable to non-controlling interests, net of tax	229	(3,890)	105.89%	Attributable mainly to the subsidiaries' gain on translation of statements in foreign currency due to exchange rate fluctuations for the period versus loss for the same period last year

Cash Flow Statement

Item	Three months Ended 31 March 2024	Three months Ended 31 March 2023	Change	Analysis of reasons for changes
Net cash flows from investing activities	(15,060,862)	(5,084,123)	(196.23%)	Attributable mainly to the increase in cash paid for investment for the period
Effect of changes in foreign exchange rate on cash and cash equivalents	49,954	(85,359)	158.52%	Attributable mainly to the gain on translation due to exchange rate fluctuations for the period versus loss for the same period last year

§3 SHAREHOLDER INFORMATION

3.1 Total number of shareholders and shareholdings of top 10 shareholders and top 10 holders of shares that were not subject to lock-up of the Company as at the end of the reporting period

As at 31 March 2024, all shares held by the top 10 shareholders of the Company were shares not subject to lock-up, namely the shareholdings of the top 10 shareholders not subject to lock-up and the shareholdings of the top 10 shareholders were identical, the details of which are set out as follows:

Total number of shareholders

As at 31 March 2024

There were 482,843 shareholders in total (comprising 482,539 holders of A shares and 304 holders of H shares).

Shareholdings of the top 10 shareholders

Name of shareholders	Nature of shareholders	Percentage of shareholdings	Number of shares held as at the end of the reporting period (shares)	Class of shares	Number of shares held subject to lock-up (shares)	Number of shares pledged, marked or frozen (shares)
1. Zhongxingxin Telecom Company Limited (“Zhongxingxin”)	Domestic general corporation	20.09%	958,940,400	A share	-	Nil
			2,038,000 ^{Note1}	H share		
2. HKSCC Nominees Limited ^{Note2}	Foreign shareholder	15.73%	752,313,987	H share	-	Unknown
3. Hong Kong Securities Clearing Company Limited ^{Note3}	Foreign corporation	1.90%	90,808,481	A share	-	Nil
4. Central Huijin Asset Management Co., Ltd.	State-owned corporation	0.88%	42,171,534	A share	-	Nil
5. Hunan Nantian (Group) Co., Ltd.	State-owned corporation	0.87%	41,516,065	A share	-	Nil
6. ICBC Limited – Huatai Pinebridge CSI 300 Traded Open-ended Index Securities Investment Fund	Others	0.72%	34,457,905	A share	-	Nil
7. NSF Portfolio #113	Others	0.65%	31,028,356	A share	-	Nil
8. CCB – eFund CSI 300 Traded Open-ended Index Securities Investment Fund By Way of Promotion	Others	0.50%	23,807,340	A share	-	Nil
9. Wang Shichen	Domestic natural person	0.48%	22,923,220	A share	-	Nil
10. NSF Portfolio #110	Others	0.45%	21,628,521	A share	-	Nil

Descriptions of any connected party relationships or concerted actions among the above shareholders
 Zhongxingxin was neither a connected party nor a concerted action of any of the top 10 shareholders. Save for the above, the Company is not aware of any connected party relationships or concerted party relationships among the top 10 shareholders.

Description of involvement in financing and securities lending businesses of top 10 shareholders (if any)
 N/A

Note 1: 2,038,000 H shares in the Company held by Zhongxingxin were held by HKSCC Nominees Limited as nominee.

Note 2: Shares held by HKSCC Nominees Limited represented the sum of shares held in the accounts of the H shareholders of the Company traded on the trading platform of HKSCC Nominees Limited. To avoid repetition in counting, 2,038,000 H shares in the Company held by Zhongxingxin have been excluded from the number of shares held HKSCC Nominees Limited.

Note 3: Shares held by Hong Kong Securities Clearing Company Limited represented the sum of A shares in the Company purchased through Shenzhen Hong Kong Stock Connect (Northbound).

Loan-out of stocks under securities refinancing by shareholders holding 5% shares or above, top 10 shareholders and top 10 shareholders not subject to lock-up

Applicable N/A

**Loan-out of stocks under securities refinancing by shareholders holding 5% shares or above,
top 10 shareholders and top 10 shareholders not subject to lock-up**

Name of shareholder	Shareholdings in basic accounts and credit accounts at the beginning of the period		Loaned stocks under securities refinancing outstanding at the beginning of the period		Shareholdings in basic accounts and credit accounts at the end of the period		Loaned stocks under securities refinancing outstanding at the end of the period	
	Total number (shares)	As a percentage of the total share capital	Total number (shares)	As a percentage of the total share capital	Total number (shares)	As a percentage of the total share capital	Total number (shares)	As a percentage of the total share capital
ICBC Limited – Huatai Pinebridge CSI 300 Traded Open-ended Index Securities Investment Fund	23,332,454	0.49%	530,800	0.01%	34,457,905	0.72%	0	0.00%
CCB – eFund CSI 300 Traded Open-ended Index Securities Investment Fund By Way of Promotion	8,852,240	0.19%	19,100	0.0004%	23,807,340	0.50%	155,100	0.0032%

Change compared to the previous period as a result of loan / return of stocks under securities refinancing by top 10 shareholders and top 10 shareholders not subject to lock-up

Applicable N/A

**Change compared to the previous period as a result of loan / return of stocks under securities refinancing
by top 10 shareholders and top 10 shareholders not subject to lock-up**

Name of shareholder	Newly added/exited during the reporting period	Loaned stocks under securities refinancing outstanding at the end of the period		Shareholdings in basic accounts and credit accounts and loaned stocks under securities refinancing outstanding at the end of the period	
		Total number (shares)	As a percentage of the total share capital	Total number (shares)	As a percentage of the total share capital
CCB – eFund CSI 300 Traded Open-ended Index Securities Investment Fund By Way of Promotion	Newly added	155,100	0.0032%	23,962,440	0.50%

3.2 The Company had no preferential shares.

§4 QUARTERLY FINANCIAL STATEMENTS

ZTE CORPORATION BALANCE SHEET

RMB in thousands

Asset	31 March 2024		31 December 2023	
	Consolidated (Unaudited)	Company (Unaudited)	Consolidated (Audited)	Company (Audited)
Current assets:				
Cash	86,879,154	67,634,432	78,543,219	61,975,191
Trading financial assets	100,646	21,705	153,285	24,227
Derivative financial assets	85,722	85,321	85,341	61,944
Trade receivables	19,819,165	32,207,342	20,821,526	35,943,738
Factored trade receivables	3,566	3,566	3,503	3,503
Receivable financing	2,812,997	2,725,874	4,074,078	4,073,264
Prepayments	334,373	1,565	242,440	16,657
Other receivables	1,340,117	29,217,304	1,146,400	31,653,053
Inventories	41,681,016	12,389,825	41,131,259	12,535,588
Contract assets	5,112,416	3,631,933	4,844,974	3,739,259
Other current assets	7,907,685	2,244,745	7,458,528	1,868,178
Total current assets	<u>166,076,857</u>	<u>150,163,612</u>	<u>158,504,553</u>	<u>151,894,602</u>
Non-current assets:				
Long-term receivables	2,035,494	4,764,770	2,013,559	4,833,124
Factored long-term receivables	10,699	10,699	10,509	10,509
Investment in associates and joints	2,097,299	17,917,753	2,157,550	17,979,249
Other non-current financial assets	843,276	623,637	831,930	650,319
Investment properties	1,473,823	1,104,000	1,473,823	1,104,000
Property, plant and equipment	13,362,874	6,062,595	13,372,364	6,190,094
Construction in progress	1,046,069	315,892	987,803	327,044
Right-of-use assets	1,504,645	954,027	1,557,313	1,007,848
Intangible assets	7,758,763	2,519,354	7,697,446	2,499,545
Development costs	1,156,074	253,666	1,301,545	305,732
Deferred tax assets	4,129,816	1,375,815	4,145,923	1,550,517
Other non-current assets	6,970,945	4,813,020	6,904,000	4,738,904
Total non-current assets	<u>42,389,777</u>	<u>40,715,228</u>	<u>42,453,765</u>	<u>41,196,885</u>
Total assets	<u>208,466,634</u>	<u>190,878,840</u>	<u>200,958,318</u>	<u>193,091,487</u>

Legal Representative: Li Zixue

Chief Financial Officer: Li Ying

Head of Finance Division: Xu Jianrui

ZTE CORPORATION
BALANCE SHEET(CONTINUED)

RMB in thousands

Liabilities and shareholders' equity	31 March 2024		31 December 2023	
	Consolidated (Unaudited)	Company (Unaudited)	Consolidated (Audited)	Company (Audited)
Current liabilities:				
Short-term loans	9,036,637	4,007,693	7,560,358	4,961,423
Bank advances on factored trade receivables	3,754	3,754	3,687	3,687
Derivative financial liabilities	164,488	142,521	184,544	183,217
Short-term bonds payable	5,946,038	5,946,038	5,012,890	5,012,890
Bills payable	11,759,507	15,520,078	9,442,739	12,661,855
Trade payables	19,121,568	30,918,703	18,931,425	34,859,532
Contract liabilities	13,896,491	12,459,171	14,889,658	13,177,282
Taxes payable	1,733,832	276,243	1,413,093	136,420
Other payables	3,386,508	9,646,287	3,844,735	9,694,757
Employee benefits payable	12,950,270	7,712,782	16,176,919	8,867,734
Provisions	2,187,095	1,102,077	2,568,768	1,343,283
Non-current liabilities due within one year	4,758,148	3,232,175	3,001,598	1,497,603
Total current liabilities	84,944,336	90,967,522	83,030,414	92,399,683
Non-current liabilities:				
Long-term loans	45,049,649	35,397,002	42,576,057	37,189,305
Bank advances on factored long-term trade receivables	11,262	11,262	11,062	11,062
Lease liabilities	963,598	612,638	960,459	621,273
Long-term employee benefits payable	140,061	140,061	141,762	141,762
Deferred income	2,547,058	185,028	2,315,842	141,204
Deferred tax liabilities	78,759	-	77,865	-
Other non-current liabilities	3,482,558	1,669,606	3,513,412	1,700,411
Total non-current liabilities	52,272,945	38,015,597	49,596,459	39,805,017
Total liabilities	137,217,281	128,983,119	132,626,873	132,204,700
Shareholders' equity:				
Share capital	4,783,252	4,783,252	4,783,252	4,783,252
Capital reserves	27,757,099	27,685,429	27,603,291	27,685,429
Other comprehensive income	(2,251,438)	750,440	(2,199,965)	768,139
Special reserve	68,860	47,572	53,394	37,173
Surplus reserves	3,053,382	2,391,626	3,053,382	2,391,626
Retained profits	37,455,932	26,237,402	34,714,953	25,221,168
Total equity attributable to holders of ordinary shares of the parent	70,867,087	61,895,721	68,008,307	60,886,787
Non-controlling interests	382,266	-	323,138	-
Total shareholders' equity	71,249,353	61,895,721	68,331,445	60,886,787
Total liabilities and shareholders' equity	208,466,634	190,878,840	200,958,318	193,091,487

ZTE CORPORATION

INCOME STATEMENT

RMB in thousands

Item	Three months ended 31 March 2024		Three months ended 31 March 2023	
	Consolidated (Unaudited)	Company (Unaudited)	Consolidated (Unaudited)	Company (Unaudited)
1. Operating revenue	30,578,301	32,813,251	29,142,882	32,762,899
Less: Operating costs	17,728,784	27,670,016	16,175,839	26,098,678
Taxes and surcharges	292,636	66,352	375,381	194,512
Selling and distribution costs	2,038,204	1,388,434	2,174,465	1,376,591
Administrative expenses	1,136,834	950,077	1,317,554	1,030,608
Research and development costs	6,375,823	1,778,519	5,933,282	1,514,739
Finance costs	(63,793)	(312,799)	(181,535)	48,494
Including: Interest expenses	1,213,986	633,914	706,354	489,138
Interest income	1,388,692	875,218	866,642	620,209
Add: Other income	856,207	243,225	507,075	24,442
Investment income	(131,304)	(241,637)	28,020	(24,962)
Including: Share of gains of associates and joint ventures	(61,683)	(65,122)	(26,012)	(26,978)
Loss from derecognition of financial assets at amortised cost	(87,685)	(45,610)	(46,364)	(13,690)
Gains from changes in fair values	(171,295)	33,724	(266,051)	(56,510)
Credit impairment losses	(32,226)	(4,505)	(102,927)	(63,259)
Asset impairment losses	(378,745)	(51,225)	(409,273)	(18,575)
Gains from asset disposal	3,856	-	7,844	-
2. Operating profit	<u>3,216,306</u>	<u>1,252,234</u>	<u>3,112,584</u>	<u>2,360,413</u>
Add: Non-operating income	8,726	2,256	25,822	15,849
Less: Non-operating expenses	18,239	2,099	49,022	12,624
3. Total profit	<u>3,206,793</u>	<u>1,252,391</u>	<u>3,089,384</u>	<u>2,363,638</u>
Less: Income tax	445,608	236,156	475,595	404,943
4. Net profit	<u>2,761,185</u>	<u>1,016,235</u>	<u>2,613,789</u>	<u>1,958,695</u>
Analysed by continuity of operations				
Net profit from continuing operations	2,761,185	1,016,235	2,613,789	1,958,695
Analysed by ownership				
Attributable to holders of ordinary shares of the parent	2,740,979	1,016,235	2,642,269	1,958,695
Non-controlling interests	20,206	-	(28,480)	-
5. Other comprehensive income, net of tax	(51,244)	(17,699)	(129,124)	23,270
Other comprehensive income attributable to holders of ordinary shares of the parent, net of tax	(51,473)	(17,699)	(125,234)	23,270
Other comprehensive income that will be reclassified to profit and loss				
Effective portion of hedge instruments	2,440	2,440	916	916
Exchange differences on translation of foreign operations	(53,913)	(20,139)	(126,150)	22,354
	<u>(51,473)</u>	<u>(17,699)</u>	<u>(125,234)</u>	<u>23,270</u>
Other comprehensive income attributable to non-controlling interests, net of tax	229	-	(3,890)	-
6. Total comprehensive income	<u>2,709,941</u>	<u>998,536</u>	<u>2,484,665</u>	<u>1,981,965</u>
Attributable to holders of ordinary shares of the parent	2,689,506	998,536	2,517,035	1,981,965
Attributable to non-controlling interests	20,435	-	(32,370)	-
7. Earnings per share (RMB/share)				
(1) Basic earnings per share	RMB0.57		RMB0.56	
(2) Diluted earnings per share	RMB0.57		RMB0.56	

ZTE CORPORATION

CASH FLOW STATEMENT

RMB in thousands

Item	Three months ended 31 March 2024		Three months ended 31 March 2023	
	Consolidated	Company	Consolidated	Company
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1. Cash flows from operating activities				
Cash received from sale of goods or rendering of services	33,597,732	41,342,530	32,829,736	32,628,290
Refunds of taxes	857,747	286,246	958,415	466,445
Cash received relating to other operating activities	1,719,819	610,547	2,881,515	573,246
Sub-total of cash inflows	36,175,298	42,239,323	36,669,666	33,667,981
Cash paid for goods and services	16,412,391	32,333,949	17,762,965	26,884,623
Cash paid to and on behalf of employees	10,938,177	3,566,793	10,416,270	3,428,958
Cash paid for various types of taxes	2,024,065	333,155	2,033,634	351,296
Cash paid relating to other operating activities	3,818,064	1,786,369	4,131,213	1,613,356
Sub-total of cash outflows	33,192,697	38,020,266	34,344,082	32,278,233
Net cash flows from operating activities	2,982,601	4,219,057	2,325,584	1,389,748
2. Cash flows from investing activities				
Cash received from sale of investments	652,757	-	960,985	579,459
Cash received from return on investment	197,939	2,342,386	521,853	1,244,350
Net cash received from the disposal of property, plant and equipment, intangible assets and other long-term assets	240,410	243,260	6,207	31,252
Cash received relating to other investing activities	-	358,875	-	9,954
Sub-total of cash inflows	1,091,106	2,944,521	1,489,045	1,865,015
Cash paid for acquisition of property, plant and equipment, intangible assets and other long-term assets	977,466	340,214	1,119,186	467,017
Cash paid for acquisition of investments	15,174,502	14,342,363	5,453,982	3,762,954
Cash paid relating to other investing activities	-	410,131	-	7,280
Sub-total of cash outflows	16,151,968	15,092,708	6,573,168	4,237,251
Net cash flows from investing activities	(15,060,862)	(12,148,187)	(5,084,123)	(2,372,236)
3. Cash flows from financing activities				
Cash received from capital injection	233,000	-	33,000	8
Including: Capital injection into subsidiaries by minority shareholders	233,000	-	33,000	-
Cash received from borrowings	88,734,764	45,334,749	64,524,990	33,366,058
Other cash paid in relation to investing activities	-	589,994	-	7,040
Sub-total of cash inflows	88,967,764	45,924,743	64,557,990	33,373,106
Cash repayment of borrowings	82,118,681	45,749,049	58,210,315	29,491,056
Cash payments for distribution of dividends or for interest expenses	793,691	440,062	730,673	409,320
Including: Distribution of dividends and profits by subsidiaries to minority shareholders	112,430	-	164,496	-
Cash paid relating to other financing activities	96,714	630,050	100,461	41,675
Sub-total of cash outflows	83,009,086	46,819,161	59,041,449	29,942,051
Net cash flows from financing activities	5,958,678	(894,418)	5,516,541	3,431,055
4. Effect of changes in foreign exchange rate on cash and cash equivalents				
	49,954	45,869	(85,359)	(56,061)
5. Net increase in cash and cash equivalents				
	(6,069,629)	(8,777,679)	2,672,643	2,392,506
Add: cash and cash equivalents at the beginning of the period	51,013,167	36,863,970	47,071,729	30,896,841
6. Net balance of cash and cash equivalents at the end of the period				
	44,943,538	28,086,291	49,744,372	33,289,347

By Order of the Board
Li Zixue
Chairman

Shenzhen, the PRC
25 April 2024

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Li Zixue, Xu Ziyang, Gu Junying; three non-executive directors, Li Buqing, Zhu Weimin, Fang Rong; and three independent non-executive directors, Cai Manli, Gordon Ng, Zhuang Jiansheng.