

Stock code: 300870 Stock abbreviation: Honor Electron Announcement No.: 2024-066

Shenzhen Honor Electronic Co., Ltd.

2024 Third Quarter Report

The company and all members of the board of directors guarantee that the information disclosed is true, accurate and complete, and there are no false records, misleading statements or major omissions.

Important content reminder:

1. The board of directors, the board of supervisors and the directors, supervisors and senior management ensure that the quarterly report is true, accurate and complete, and that there are no false records, misleading statements or major omissions, and bear individual and joint legal liabilities.
2. The person in charge of the company, the person in charge of accounting work and the person in charge of the accounting organization (accounting officer) declare that the financial information in the quarterly report is true, accurate and complete.
3. Has the third quarter report been audited?

■ whether

I. Main financial data

(1) Major accounting data and financial indicators

Whether the company needs to retrospectively adjust or restate the accounting data of previous years

■ whether

	This reporting period	This reporting period increased or decreased compared with the same period of the previous year	From the beginning of the year to the end of the reporting period	From the beginning of the year to the end of the reporting period, increase or decrease over the same period of the previous year
Operating income (yuan)	1,064,437,252.36	38.17%	2,663,683,959.04	28.95%
Net profit attributable to shareholders of listed companies (yuan)	70,275,772.86	103.33%	156,614,756.02	264.94%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (yuan)	63,109,574.70	117.48%	141,592,619.40	133.94%
Net cash flow from operating activities (yuan)	--	--	240,806,347.21	-21.92%
Basic earnings per share (yuan/share)	0.69	102.94%	1.55	269.05%
Diluted earnings per share (yuan/share)	0.68	100.00%	1.54	266.67%
Weighted average return on equity	3.67%	1.62%	8.14%	5.55%
	At the end of the reporting period	End of last year	Increase or decrease at the end of the reporting period compared to the end of the previous year	
Total assets (yuan)	5,114,774,823.98	3,749,607,108.44	36.41%	
Owner's equity attributable to shareholders of listed companies (yuan)	2,047,156,187.77	1,857,283,741.55	10.22%	

(2) Items and amounts of non-recurring gains and losses

Applicable ■ Not applicable

Unit:
Yuan

Projects	Amount for the reporting period	Amount from the beginning of the year to the end of the reporting period	Description
Gains and losses on disposal of illiquid assets (including the write-off portion of the provision for asset impairment)	61,435.12	-1,649,631.33	Mainly due to the loss of retirement of non-current assets.

Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the company's normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a continuous impact on the company's profit and loss)	2,021,119.70	7,562,233.82	Mainly government subsidy income.
In addition to the effective hedging business related to the company's normal business operations, the gains and losses from changes in fair value arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	-152,424.66	22,594.52	
Profit and loss of entrusting others to invest or manage assets	383,379.76	877,154.49	It is the income from wealth management products actually received in the current period.
Other non-operating revenue and expenditure other than the above-mentioned items	-287,938.97	529,326.19	
Others meet the definition of non-recurring gains and losses	6,120,901.88	9,391,972.16	
Profit and loss items			
Less: Income tax impact amount	972,274.67	1,687,308.13	
Amount of impact on minority shareholders' equity (after tax)	8,000.00	24,205.10	
Total	7,166,198.16	15,022,136.62	--

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

Applicable ☒ Not applicable

Other profit and loss items that meet the definition of non-recurring profit and loss are mainly value-added tax deduction and withholding tax handling fee refund.

Explanation of the situation of defining the non-recurring profit and loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profit and Loss" as recurring profit and loss items

☒ Applicable Not Applicable

There is no situation in which the company defines the non-recurring gains and losses listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public-Non-recurring Gains and Losses" as recurring gains and losses.

(3) Changes in major accounting data and financial indicators and reasons

Applicable ☒ Not applicable

Amount unit: yuan

Balance Sheet Items	Ending balance	Opening balance	Range of change	Reason for change
Monetary fund	1,285,506,884.15	669,082,320.25	92.13%	Mainly due to the receipt of funds raised from the issuance of convertible bonds in the current period.
Trading financial assets	105,022,594.52	-	100.00%	Mainly due to the new purchase of wealth management products in the current period.
Notes receivable	102,112,083.65	162,177,531.62	-37.04%	Mainly due to the decrease in bank acceptance bills at the end of the period.
Accounts Receivable	1,291,764,317.59	890,787,486.41	45.01%	Mainly due to the increase in sales volume during the current period.
Receivables Financing	4,029,987.84	17,633,625.14	-77.15%	This was due to the decrease in bills receivable with high credit ratings at the end of the period.
Advance payment	1,502,957.58	3,018,853.80	-50.21%	Mainly due to the decrease in the prepayment for materials in the current period.
Other receivables	26,182,575.75	73,876,951.61	-64.56%	Mainly due to the receipt of the equity transfer payment at the end of the previous year in the current period.
Inventory	543,635,617.14	336,461,913.00	61.57%	Mainly due to the increase in sales volume during the current period.
Right-of-use asset	84,117,913.44	40,521,407.26	107.59%	Mainly due to the increase in housing leases in the current period.
Long-term deferred expenses	123,947,403.56	55,978,141.31	121.42%	Mainly due to the completion and acceptance of the renovation project in this period.

Deferred Tax Assets	33,826,607.76	19,714,145.94	71.59%	Mainly due to the increase in deductible temporary differences.
Other non-current assets	14,606,763.94	23,026,424.99	-36.57%	Mainly due to the acceptance of the advance payment from the previous year in the current period.
Short-term loan	230,077,083.31	115,057,750.00	99.97%	Mainly due to the increase in bank loans during the current period.
Account payables	1,238,392,869.75	737,489,565.72	67.92%	Mainly due to the increase in sales scale during the current period and the corresponding increase in material procurement.
Taxes payable	35,428,525.02	12,190,591.69	190.62%	Mainly due to the increase in taxes payable in the current period.
Other payables	34,587,067.74	23,434,022.39	47.59%	Mainly due to the increase in bid bond and accrued expenses in the current period.
Non-current liabilities due within one year	111,193,875.43	45,119,278.31	146.44%	Mainly due to the increase in long-term loans and lease liabilities due within one year of the current period.
Bonds payable	540,767,151.77	-	100.00%	Mainly due to the issuance of convertible bonds in the current period.
Lease liabilities	61,957,546.97	26,432,950.93	134.40%	Mainly due to the increase in housing leases in the current period.
Deferred income	16,294,406.85	8,835,651.83	84.42%	Mainly due to the increase in government subsidies related to assets received in the current period.
Deferred Tax Liabilities	18,679,401.85	9,844,016.79	89.75%	Mainly due to the increase in the amount of taxable temporary differences in the current period.
Income statement items	Amount in the current period	Amount in the previous period	Range of change	Reason for change
Taxes & surcharges	15,095,937.12	7,680,528.33	96.55%	Mainly due to the increase in surcharges in the current period.
Selling expense	70,966,655.02	53,039,057.37	33.80%	Mainly due to the increase in sales scale during the current period and the corresponding increase in sales expenses.
Finance expense	-994,601.79	-3,732,918.83	73.36%	Mainly due to the accrual of interest expenses on convertible bonds in the current period.
Other income	16,954,205.98	9,979,038.10	69.90%	Mainly due to the increase in the amount of government subsidies included in the current profit and loss in the current period.
Investment income (losses are listed with "-")	-20,339,202.59	2,032,006.17	-1100.94%	Mainly due to the recognition of investment losses for participating companies based on the equity method.
Credit impairment loss (losses are listed with "-")	-18,189,812.02	-6,310,114.34	188.26%	It was due to the increase in the balance of accounts receivable at the end of the period.
Asset impairment loss (losses are listed with "-")	-18,724,879.12	-10,058,912.85	86.15%	It was due to the increase in the balance of inventory depreciation reserves at the end of the period.

Non-operating income	1,380,059.11	831,296.72	66.01%	Mainly due to the receipt of default deductions in the current period.
Non-operating expenses	3,215,023.88	785,475.41	309.31%	Mainly due to the loss of asset retirement in the current period.
Income tax expense	21,056,958.60	9,274,280.55	127.05%	This is due to the increase in the sales scale during the current period and the increase in the total profit.
Cash Flow Statement Items	Amount in the current period	Amount in the previous period	Range of change	Reason for change
Net cash flows from investing activities	-249,986,045.87	-191,085,710.08	-30.82%	Mainly due to the decrease in the amount of wealth management products due to maturity in the current period compared with the same period last year.
Net cash flow from financing activities	625,157,190.18	-62,346,283.84	1102.72%	Mainly due to the increase in funds raised from convertible bonds and bank borrowings received in the current period.

II. Shareholder Information

(1) The total number of ordinary shareholders and the number of preferred shareholders whose voting rights have been restored and the shareholding status of the top ten shareholders

Unit: share

Total number of common shareholders at the end of the reporting period		10,841	The total number of preferred shareholders whose voting rights were restored at the end of the reporting period (if any)		0	
Shareholding of the top 10 shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of Shareholders	Shareholding ratio	Number of shares held	Number of shares subject to sales restrictions	Pledge, mark or freeze	
					Share status	Quantity
Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	Domestic non-state-owned legal person	28.89%	29,234,023	0	Not applicable	0
Shenzhen Genoli Information Consulting Co., Ltd	Domestic non-state-owned legal person	28.89%	29,234,023	0	Pledge	14,840,000
Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership)	Domestic non-state-owned legal person	3.59%	3,635,231	0	Not applicable	0
CICC Corporation-CCB Bank-CICC Emerging Equity Collective Asset Management Plan	other	1.20%	1,213,312	0	Not applicable	0
Yang Ji	Domestic natural persons	1.13%	1,148,497	0	Not applicable	0
Wells Fargo Fund-China Life Insurance Company Limited-Traditional Insurance-Wells Fargo Fund China Life Shares Growth StockTraditional Available-for-sale Single Asset Management Plan	other	0.93%	939,129	0	Not applicable	0
Ruizhong Life Insurance Co., Ltd.-own funds	other	0.92%	927,696	0	Not applicable	0

Hong Kong Securities Clearing Company Limited	Foreign legal person	0.86%	869,356	0	Not applicable	0
Wells Fargo Fund-China Life Insurance Co., Ltd. - Participating Insurance-Wells Fargo Fund China Life Shares Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	other	0.82%	827,955	0	Not applicable	0
China Merchants Bank Co., Ltd. - ICBC Credit Suisse Yuanxing Hybrid Securities Investment Fund	other	0.72%	726,082	0	Not applicable	0
Shareholding of the top 10 shareholders with unrestricted sales conditions (excluding shares lent through refinancing and locked shares by executives)						
Name of shareholder	Number of unrestricted shares held	Type and number of shares		Type of shares	Quantity	
Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	29,234,023	RMB ordinary shares	29,234,023			
Shenzhen Genoli Information Consulting Co., Ltd	29,234,023	RMB ordinary shares	29,234,023			
Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership)	3,635,231	RMB ordinary shares	3,635,231			
CICC Corporation-CCB Bank-CICC Emerging Equity Collective Asset Management Plan	1,213,312	RMB ordinary shares	1,213,312			
Yang Ji	1,148,497	RMB ordinary shares	1,148,497			
Wells Fargo Fund-China Life Insurance Company Limited-Traditional Insurance-Wells Fargo Fund China Life Shares Growth Stock Traditional Available-for-sale Single Asset Management Plan	939,129	RMB ordinary shares	939,129			
Ruizhong Life Insurance Co., Ltd.-self	927,696	RMB ordinary shares	927,696			
Have funds						
Hong Kong Securities Clearing Company Limited	869,356	RMB ordinary shares	869,356			
Wells Fargo Fund-China Life Insurance Co., Ltd. - Participating Insurance-Wells Fargo Fund China Life Shares Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	827,955	RMB ordinary shares	827,955			

China Merchants Bank Co., Ltd. - ICBC Credit Suisse Yuanxing Hybrid Securities Investment Fund	726,082	RMB ordinary shares	726,082
Description of the above-mentioned shareholders' connected relationship or concerted action	<p>The actual controllers of the company are Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei, and they act in concert. Among them, Wang Heqiu and Wang Yulin control 28.89% of the company's shares through Shenzhen Genoli Information Consulting Co., Ltd., Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei control 28.89% of the company's shares through Nanjing Wangyueke Wang Venture Capital Partnership (Limited Partnership), and Wang Heqiu is the executive partner and actual controller of Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership). In addition, the company does not know whether there is an associated relationship among the above-mentioned other shareholders, nor whether they are persons acting in concert as stipulated in the Administrative Measures for the Disclosure of Information Disclosure of Changes in Shareholding of Listed Companies.</p>		
Description of the top 10 shareholders participating in the margin financing and securities lending business (if any)	No		

Special note for the existence of special repurchase accounts among the top 10 shareholders: As of the end of the reporting period, the number of shares repurchased by the company through centralized auction transactions through the special repurchase securities account was 1,655,300 shares, accounting for 1.64% of the company's current total share capital.

Shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of tradable shares without selling restrictions participated in the refinancing business and lent shares

■ Applicable Not Applicable

The top 10 shareholders and the top 10 shareholders of tradable shares without selling restrictions have changed from the previous period due to refinancing, lending/return

■ Applicable Not Applicable

(2) The total number of preferred shareholders of the company and the shareholding status of the top 10 preferred shareholders

■ Applicable Not Applicable

(3) Changes in restricted shares

■ Applicable Not Applicable

III. Other important matters

Applicable ■ Not applicable

1. On August 27, 2024, the company held the fifth meeting of the third board of directors in 2024 and the fourth meeting of the third board of supervisors in 2024. It reviewed and approved the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, "Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. "and other proposals.

2. On September 12, 2024, the company disclosed the "Self-inspection Report on the Buying and Selling of the Company's Shares by Insiders and Incentive Objects of the 2024 Restricted Stock Incentive Plan" (Announcement No.: 2024-050) and the "Explanation of the Board of Supervisors' Review Opinions and Publicity on the List of Incentive Objects of the Company's 2024 Restricted Stock Incentive Plan" (Announcement No.: 2024-051).

3. On September 18, 2024, the company held the first extraordinary general meeting of shareholders in 2024. Deliberated and approved the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, "The Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. ", and the" Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle the Company's Equity Incentives. "

4. On September 23, 2024, the company held the sixth meeting of the third board of directors in 2024 and the fifth meeting of the third board of supervisors in 2024, and reviewed and approved the "Proposal on Adjusting the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan and the Number of Grants" and "The Proposal on Granting Restricted Shares to Incentive Objects of the 2024 Restricted Stock Incentive Plan". The Board of Supervisors verified the list of incentive objects on the grant date and issued a verification opinion, agreeing to the list of incentive objects granted by the company's incentive plan this time.

IV. Quarterly Financial Statements

(1) Financial statements

1. Consolidated Balance Sheets

Prepared by: Shenzhen Honor Electronic Co., Ltd.

Unit:
Yuan

Projects	Ending balance	Opening balance
Current assets:		
Monetary fund	1,285,506,884.15	669,082,320.25
Settlement reserve		
borrowed funds		
Trading financial assets	105,022,594.52	
Derivative financial assets		
Notes receivable	102,112,083.65	162,177,531.62
Accounts Receivable	1,291,764,317.59	890,787,486.41
Receivables Financing	4,029,987.84	17,633,625.14
Advance payment	1,502,957.58	3,018,853.80
Premiums receivable		
Reinsurance accounts receivable		
Reserve for reinsurance contracts receivable		
Other receivables	26,182,575.75	73,876,951.61
Including: interest receivable	2,075,361.23	421,991.68
Dividends receivable		
Redemptory monetary capital for sale		
Inventory	543,635,617.14	336,461,913.00
Among them: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other Current Assets	27,151,530.01	22,798,520.43
Total current assets	3,386,908,548.23	2,175,837,202.26
Non-current assets:		
Issue loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	81,605,240.65	95,121,442.43
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	137,611,740.07	120,727,136.94
Fixed assets	1,023,487,269.26	1,013,803,559.64
Construction in progress	158,996,273.17	133,048,776.54
Productive biological assets		

Oil and gas assets		
Right-of-use asset	84,117,913.44	40,521,407.26
Intangible assets	69,667,063.90	71,828,871.13
Among them: data resources		
Development expenditure		
Among them: data resources		
Goodwill		
Long-term deferred expenses	123,947,403.56	55,978,141.31
Deferred Tax Assets	33,826,607.76	19,714,145.94
Other non-current assets	14,606,763.94	23,026,424.99
Total non-current assets	1,727,866,275.75	1,573,769,906.18
Total assets	5,114,774,823.98	3,749,607,108.44
Current Liabilities:		
Short-term loan	230,077,083.31	115,057,750.00
Borrowing from the Central Bank		
Borrowed funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	421,381,155.49	468,760,151.92
Account payables	1,238,392,869.75	737,489,565.72
Advance receipt	223,552.80	280,811.77
Contract liabilities	2,110,763.62	3,002,110.54
Financial assets sold for repurchase		
Deposits and interbank deposits		
Securities brokerage		
Acting as an agent for underwriting securities		
Employee compensation payable	63,208,765.90	53,764,039.16
Taxes payable	35,428,525.02	12,190,591.69
Other payables	34,587,067.74	23,434,022.39
Including: interest payable		
Dividends payable		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	111,193,875.43	45,119,278.31
Other current liabilities	62,394,781.55	69,522,971.58
Total Current Liabilities	2,198,998,440.61	1,528,621,293.08
Non-Current Liabilities:		
Insurance contract reserves		
Long-term loan	231,484,673.83	319,550,000.10
Bonds payable	540,767,151.77	
Of which: preferred stock		
Perpetual bond		
Lease liabilities	61,957,546.97	26,432,950.93
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	16,294,406.85	8,835,651.83
Deferred Tax Liabilities	18,679,401.85	9,844,016.79
Other non-current liabilities		
Total Non-Current Liabilities	869,183,181.27	364,662,619.65
Total liabilities	3,068,181,621.88	1,893,283,912.73
Owners' equity:		
Capital stock	101,200,000.00	101,200,000.00
Other equity instruments	96,996,500.63	
Of which: preferred stock		
Perpetual bond		
Capital reserve	1,098,129,058.43	1,089,736,446.16
Less: treasury shares	62,600,689.07	62,600,689.07
Other comprehensive income	-3,947,988.85	3,778,013.64
Special reserve		

Surplus reserve	50,885,000.00	50,885,000.00
General risk preparation		
Undistributed profit	766,494,306.63	674,284,970.82
Total owner's equity attributable to parent Company	2,047,156,187.77	1,857,283,741.55
Minority interests	-562,985.67	-960,545.84
Total owner's equity	2,046,593,202.10	1,856,323,195.71
Total liabilities and owners' equity	5,114,774,823.98	3,749,607,108.44

Legal representative: Wang Heqiu Person in charge of accounting work: Zhang Shuyuan Person in charge of accounting department: Tan Qun

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

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
I. Total operating income	2,663,683,959.04	2,065,690,640.54
Including: operating income	2,663,683,959.04	2,065,690,640.54
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating cost	2,444,217,285.88	2,010,517,892.85
Including: operating cost	2,096,927,205.61	1,662,183,366.76
Interest expense		
Fees and commissions		
Surrender money		
Net compensation expense		
Withdrawal of net insurance liability reserves		
Policy dividend payout		
Reinsurance fees		
Taxes & surcharges	15,095,937.12	7,680,528.33
Selling expense	70,966,655.02	53,039,057.37
Administration expense	110,005,872.11	119,732,855.04
R&D; expenses	152,216,217.81	171,615,004.18
Finance expense	-994,601.79	-3,732,918.83
Including: interest expense	18,423,985.13	16,097,138.26
Interest income	12,293,760.50	3,404,626.36
Plus: other income	16,954,205.98	9,979,038.10
Investment income (losses are listed with "- ")	-20,339,202.59	2,032,006.17
Including: investment income in associates and joint ventures	-21,216,357.08	-56,266.22
Derecognition of financial assets measured at amortized cost		
Exchange gains (losses are listed with "- ")		
Net exposure hedging gain (losses are listed with "- ")		
Gain from change in fair value (losses are listed with "- ")	22,594.52	20,192.87
Credit impairment loss (losses are listed with "- ")	-18,189,812.02	-6,310,114.34
Asset impairment loss (losses are listed with "- ")	-18,724,879.12	-10,058,912.85
Asset disposal gains (losses are listed with "- ")	714,659.63	40,349.29
III. Operating profit (losses are listed with "- ")	179,904,239.56	50,875,306.93
Plus: non-operating income	1,380,059.11	831,296.72
Less: non-operating expenses	3,215,023.88	785,475.41

IV. Total profit (total loss is listed with "-")	178,069,274.79	50,921,128.24
Less: income tax expense	21,056,958.60	9,274,280.55
V. Net profit (net loss is listed with "-")	157,012,316.19	41,646,847.69
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss is listed with "-")	157,012,316.19	41,646,847.69
2. Net profit from discontinued operations (net loss is listed with "-")		
(2) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss is listed with "-")	156,614,756.02	42,914,784.15
2. Minority shareholders' gains and losses (net losses are listed with "-")	397,560.17	-1,267,936.46
VI. Net after-tax other comprehensive income	-7,726,002.49	2,043,301.16
After-tax net of other comprehensive income attributable to owners of the parent company	-7,726,002.49	2,043,301.16
(1) Other comprehensive income that cannot be reclassified into profit or loss		
1. Re-measurement of defined benefit plan changes		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments		
4. Changes in the fair value of the company's own credit risk		
5. Other		
(2) Other comprehensive income that will be reclassified into profit or loss	-7,726,002.49	2,043,301.16
1. Other comprehensive income that can be transferred to profit and loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provision for other debt investments		
5. Cash Flow Hedge Reserve		
6. Translation differences of foreign currency financial statements	-7,726,002.49	2,043,301.16
7. Other		
Other comprehensive income attributable to minority shareholders, net of tax		
VII. Total comprehensive income	149,286,313.70	43,690,148.85
(1) Total comprehensive income attributable to owners of the parent company	148,888,753.53	44,958,085.31
(2) Total comprehensive income attributable to minority shareholders	397,560.17	-1,267,936.46
VIII. Earnings per share:		
(1) Basic earnings per share	1.55	0.42
(2) Diluted earnings per share	1.54	0.42

If a business combination under the same control occurs in the current period, the net profit realized by the merged party before the merger is: Yuan, and the net profit realized by the merged party in the previous period is: Yuan.

Legal representative: Wang Heqiu Person in charge of accounting work: Zhang Shuyuan Person in charge of accounting department: Tan Qun

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

Unit:

Yuan

Projects	Amount in the current period	Amount in the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	2,126,017,455.31	1,750,590,715.28
Net increase in customer deposits and interbank deposits		
Net increase in borrowing from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from original insurance contract premiums		
Net cash received from reinsurance business		
Net increase in deposits and investment funds of policyholders		
Cash for interest, fees and commissions		
Net increase in borrowed funds		
Net increase in repurchase business funds		
Net cash received from brokerage of securities		
Tax refunds received	78,007,878.72	79,543,202.10
Receive other cash related to operating activities	151,830,317.83	132,458,005.99
Subtotal of cash inflow from operating activities	2,355,855,651.86	1,962,591,923.37
Cash paid for purchasing goods and accepting labor services	1,423,124,650.10	978,210,963.66
Net increase in loans and advances to customers		
Net increase in deposits with central banks and interbanks		
Cash for payment of original insurance contract claims		
Net increase in borrowing funds		
Cash for payment of interest, fees and commissions		
Cash to pay policy dividends		
Cash paid to and for employees	406,058,528.02	381,455,025.65
Taxes paid	44,226,060.70	49,845,625.18
Other cash payments related to operating activities	241,640,065.83	244,651,966.16
Subtotal of cash outflows from operating activities	2,115,049,304.65	1,654,163,580.65
Net cash flow from operating activities	240,806,347.21	308,428,342.72
II. Cash flow from investing activities:		
Cash received from investment		
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	812,449.93	

Net cash received from disposal of subsidiaries and other business units	44,000,000.00	
Receipt of other cash related to investing activities	151,239,378.68	395,226,361.17
Subtotal of cash inflows from investing activities	196,051,828.61	395,226,361.17
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	212,037,874.48	189,312,071.25
Cash paid for investments		
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments related to investing activities	234,000,000.00	397,000,000.00
Subtotal of cash outflows from investing activities	446,037,874.48	586,312,071.25
Net cash flows from investing activities	-249,986,045.87	-191,085,710.08
III. Cash flow from financing activities:		
Cash received from investment		
Including: cash received by the subsidiary from absorbing minority shareholders' investment		
Cash received from borrowing	746,276,500.00	185,000,000.00
Other cash received in connection with financing activities	160,000,000.00	
Subtotal of cash inflows from financing activities	906,276,500.00	185,000,000.00
Cash paid for debt repayment	100,158,442.07	178,654,999.97
Cash paid for distribution of dividends, profits or interest payments	75,631,914.17	23,562,754.98
Including: dividends and profits paid by subsidiaries to minority shareholders		
Other cash payments related to financing activities	105,328,953.58	45,128,528.89
Subtotal of cash outflows from financing activities	281,119,309.82	247,346,283.84
Net cash flow from financing activities	625,157,190.18	-62,346,283.84
IV. The impact of exchange rate changes on cash and cash equivalents	5,213,351.58	4,439,684.49
V. Net increase in cash and cash equivalents	621,190,843.10	59,436,033.29
Add: balance of cash and cash equivalents at the beginning of the period	527,879,261.54	438,009,246.87
VI. Balance of cash and cash equivalents at the end of the period	1,149,070,104.64	497,445,280.16

(2) The first implementation of the new accounting standards from 2024 to adjust the items related to the financial statements at the beginning of the year

■ Applicable Not Applicable

(3) Audit report

Has the third quarter report been audited?

■ whether

The company's third quarter report is unaudited.

Board of Directors of Shenzhen Honor Electronic Co., Ltd.

October 30, 2024