

Stock Code: 688007

Stock Short Name: Appotronics

Appotronics Corporation Limited

The Third Quarter Report in 2023

The Board of Directors and all the directors of the Company warrant that the information contained in this Report is free from any misrepresentation, misleading statement or material omission, and agree to assume the liability for the truth, accuracy and completeness of this Report according to the law.

Important note:

The Board of Directors, the Board of Supervisors, directors, supervisors and senior officers of the Company hereby warrant that the information contained in this Quarter Report is true, accurate and complete and this Report is free from any misrepresentation, misleading statement or major omission, and agree to assume joint and several liability for this Quarter Report.

The Principal of the Company, Chief Accountant and Person in Charge of the Accounting Body (Chief Accountants) warrant the information presented in the financial statements in this Quarter Report is true, accurate and complete.

Whether the third quarter financial statements have been audited

Yes No

本报告为深圳光峰科技股份有限公司自愿披露的《2023年第三季度报告（英文版）》，对本报告的中英文版本理解上发生歧义时，以中文版本为准。

This is the Third Quarter Report in 2023 (English version) voluntarily disclosed by Appotronics Corporation Limited. In the event of any discrepancy between the English and Chinese versions of this report, the Chinese version shall prevail.

I. Main financial data

Main accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	During the reporting period	Change on a year-on-year basis (%)	From the beginning of the year to the end of the reporting period	Change on a year-on-year basis (%)
Operating income	577,380,260.71	-4.80	1,650,629,298.46	-12.00
Net profit attributable to shareholders of the listed company	53,644,544.29	18.19	128,559,185.24	40.72
Net profit attributable to shareholders of the listed company after deduction of non-recurring profit or loss	42,267,983.59	31.39	76,496,823.20	41.20
Net cash flow from operating activities	N/A	N/A	208,932,567.64	1,762.17
Basic earnings per share (RMB/share)	0.12	20.00	0.28	40.00
Diluted earnings per share (RMB/share)	0.12	20.00	0.28	40.00
Weighted average return on net assets (%)	1.93	+0.15 percentage points	4.72	+1.08 percentage points
Total R&D investments	68,441,192.32	15.44	194,847,334.44	11.82
Proportion of R&D expenses to operating income (%)	11.85	+2.07 percentage points	11.80	+2.51 percentage points
	At the end of the reporting period		At the end of the prior year	Changes at the end of the reporting period from the end of the prior year (%)
Total assets	4,305,528,862.78		4,333,350,260.15	-0.64
Owners' equity attributable to shareholders of the listed company	2,830,415,789.01		2,647,663,487.59	6.90

Note: The term “reporting period” refers to a period of three months from the beginning of this quarter to the end of this quarter, same as below.

Items and amounts of non-recurring profit or loss

Unit: Yuan Currency: RMB

Item	Amount for the reporting period	Amount from the beginning of the year to the end of the reporting period	Description
Profit or loss from disposal of non-current assets	-109,829.18	-325,962.05	
Government grants recognized in profit or loss for the current period (excluding government grants that are closely related to the business of the Company and are provided in fixed amount or quantity continuously according to the applicable policies and standards of the country)	2,385,718.12	35,584,533.69	
Profit or loss on entrusted investments or assets management	2,645,606.78	7,844,315.33	
Net profit or loss of subsidiaries from the beginning of the period up to the business combination date recognized as a result of business combination of enterprises involving enterprises under common control	7,247,100.38	22,171,089.58	
Profit or loss on changes in the fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income on disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, other than those used in the effective hedging activities relating to normal operating business		67,000.00	
Reversal of impairment loss on accounts receivable and contract assets tested for impairment individually		69,851.05	
Other non-operating income and expenses	93,546.94	108,027.87	
Other gains or losses meeting the definition of non-recurring profit or loss	34,051.66	476,112.73	
Less: Effect of income taxes	716,894.13	4,185,991.02	
Effects attributable to minority interests (net of tax)	202,739.87	9,746,615.14	
Total	11,376,560.70	52,062,362.04	

Description of defining non-recurring profit or loss items illustrated in Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No. 1 - Non-recurring Profit or Loss as recurring profit or loss items

Applicable N/A

Description of and reasons for changes in the main accounting data and financial indicators

√ Applicable □ N/A

Item	Change (%)	Main reason
Net profit attributable to shareholders of the listed company _ from the beginning of the year to the end of the reporting period	40.72	Primarily due to changes in the income structure in the first three quarters, in which the gross profit margin increased by 6.72 percentage points.
Net profit attributable to shareholders of the listed company after deduction of non-recurring profit or loss _ from the beginning of the year to the end of the reporting period	41.20	Primarily due to changes in the income structure in the first three quarters, in which the gross profit margin increased by 6.72 percentage points.
Net profit attributable to shareholders of the listed company after deduction of non-recurring profit or loss _ the reporting period	31.39	Primarily due to changes in the income structure during the reporting period, which lead to the increase in the gross profit margin and decrease in period expenses.
Net cash flow from operating activities _ from the beginning of the year to the end of the reporting period	1,762.17	Primarily due to the optimized supply chain management, decreased payment for procurement, and net recovery of security deposits during the reporting period.
Basic earnings per share _ from the beginning of the year to the end of the reporting period	40.00	Primarily due to the increase in net profit attributable to shareholders of the listed company for the first three quarters.
Diluted earnings per share _ from the beginning of the year to the end of the reporting period	40.00	Primarily due to the increase in net profit attributable to shareholders of the listed company for the first three quarters.

Analysis of business operation during the reporting period

During the reporting period, the Company continued its focus on the ALPD® semiconductor laser light source technology and architecture to solidify the long-term development trend of resilient business and high-quality growth. For the first three quarters of 2023, the Company achieved the operating income of RMB 1,651 million; the net profit attributable to the parent company of RMB 129 million, increased by 40.72% year on year; and the overall gross profit margin of the Company was 38.12%, an increase of 6.72 percentage points year on year; and the net cash flow from operating activities of RMB 209 million, greatly increased by RMB 198 million year on year and reflecting the stable overall development.

In the third quarter of 2023, the Company received more nominations for its business of automotive

core components, which continued the release of its technical advantages, and continued optimization efforts at the request of customers to complete tasks for product development, verification, and delivery. Thanks to the fully recovery of the film market, the business of cinema core components continued its strong recovery. The dedicated display business continued the stable development. The household business, under the circumstance of prudent consumption of the public, experienced a weak consumption demand on the market, hence becoming the main reason for the pressure on the business incomes of the Company. The operating highlights of the Company during the reporting period include:

1. Business of automotive core components

During the reporting period, the Company received the Development Nomination Letter from Hasco Vision Technology (Shanghai) Co., Ltd., in which the Company has been designated as its supplier for automotive optics solutions to provide PGU display module products. This indicates a new breakthrough achieved by the Company in the AR-HUD field to provide consumers with better assisted driving experience.

In the field of automotive optics, the Company has released multiple solutions for three major application directions, namely AR-HUD, laser headlights, and automotive display, which achieved stable operation of the light generators as the core component and the PGU under the high-temperature working environment of the cockpit while being compatible with freeform surface modeling and wave guide, hence producing the advantages of smaller size, higher brightness, and greater efficiency.

The Company has insisted on independent innovation and making R&D investments in the business of automotive core components to maintain its head start advantages in the field of automotive optics technologies. In the third quarter of 2023, the Company had 22 new patents granted and applications filed for automotive optics technologies; as of September 30, 2023, we have a total of 191 patents for automotive optics technologies granted and filed, an increase by 39.41% year on year.

2. Business of cinema core components

While the high-quality films of diversified subjects shown one after the other met the diversified demands of audience, the domestic film market became active, especially in the summer holiday of 2023, which reached a record high box office. Thanks to the film market conditions above, our business of cinema projection services continued the high-growth trend in the first three quarters of 2023, which continuously improved our core indicators including the overall profitability, cash flow, etc.

Relying on the energy-efficient ALPD® semiconductor laser light source technologies and profound accumulation in the film industry, we continued our efforts on the domestic cinema market. In the third quarter of 2023, we achieved the new installation of nearly 500 leased light sources; as of September 30, 2023, over 29,000 sets of ALPD® laser light source projection solutions have been installed throughout China, which continued the high-quality development of the business of cinema projection services.

II. Shareholder information

Table of total number of ordinary shareholders and preferred shareholders with resumed voting right as well as shareholding status of top 10 shareholders

Unit: Share

Total number of ordinary shareholders as of the end of the reporting period	14,162			Total number of preferred shareholders with resumed voting right during the reporting period (if any)	N/A		
Shareholding status of top 10 shareholders							
Shareholder name	Shareholder nature	Number of shares held	Proportion of shareholding (%)	Number of restricted shares held	Number of restricted shares held, including the shares lent out under the refinancing arrangement	Shares pledged, marked or frozen	
						Share status	Quantity
Shenzhen Appotronics Holdings Limited	Domestic non-state owned legal person	79,762,679	17.32	0	0	None	-
Shenzhen Yuanshi Laser Industrial Investment Consulting Partnership (LP)	Domestic non-state owned legal person	24,139,500	5.24	0	0	None	-
Nantong Strait Appotronics Investment Partnership (LP)	Domestic non-state owned legal person	22,780,329	4.95	0	0	None	-
Shenzhen Appotronics Daye Investment Partnership (LP)	Domestic non-state owned legal person	20,430,250	4.44	0	0	None	-
Shenzhen Appotronics Hongye Investment Partnership (LP)	Domestic non-state owned legal person	15,662,374	3.40	0	0	None	-
Shenzhen Jinleijing Investment Limited Partnership (LP)	Domestic non-state owned legal person	12,353,106	2.68	0	0	None	-
Shenzhen Appotronics Chengye Consulting Partnership (LP)	Domestic non-state owned legal person	10,394,846	2.26	0	0	None	-

Bank of China Co., Ltd. - YFD Stable Income Bond Securities Investment Fund	Others	10,376,275	2.25	0	0	None	-
LUO Xiaobin	Domestic natural person	7,298,404	1.59	0	0	None	-
Industrial Bank Co., Ltd. - Tianhong Yongli Bond Securities Investment Fund	Others	6,926,775	1.50	0	0	None	-
Shareholding status of top 10 unrestricted shareholders							
Shareholder name	Quantity of unrestricted outstanding shares held		Type and quantity of shares				
			Type	Quantity			
Shenzhen Appotronics Holdings Limited	79,762,679		RMB-denominated ordinary share		79,762,679		
Shenzhen Yuanshi Laser Industrial Investment Consulting Partnership (LP)	24,139,500		RMB-denominated ordinary share		24,139,500		
Nantong Strait Appotronics Investment Partnership (LP)	22,780,329		RMB-denominated ordinary share		22,780,329		
Shenzhen Appotronics Daye Investment Partnership (LP)	20,430,250		RMB-denominated ordinary share		20,430,250		
Shenzhen Appotronics Hongye Investment Partnership (LP)	15,662,374		RMB-denominated ordinary share		15,662,374		
Shenzhen Jinleijing Investment Limited Partnership (LP)	12,353,106		RMB-denominated ordinary share		12,353,106		
Shenzhen Appotronics Chengye Consulting Partnership (LP)	10,394,846		RMB-denominated ordinary share		10,394,846		
Bank of China Co., Ltd. - YFD Stable Income Bond Securities Investment Fund	10,376,275		RMB-denominated ordinary share		10,376,275		
LUO Xiaobin	7,298,404		RMB-denominated ordinary share		7,298,404		
Industrial Bank Co., Ltd. - Tianhong Yongli Bond Securities Investment Fund	6,926,775		RMB-denominated ordinary share		6,926,775		

Affiliates or concert parties among the shareholders stated above	1. As of September 30, 2023, the following entities in top 10 shareholders of the Company constituted person acting in concert: Shenzhen Appotronics Holdings Co., Ltd., Shenzhen Yuanshi Laser Industrial Investment Consulting Partnership (LP), Shenzhen Appotronics Daye Investment Partnership (LP), Shenzhen Appotronics Hongye Investment Partnership (LP), Shenzhen Jinleijing Investment Limited Partnership (LP), and Shenzhen Appotronics Chengye Consulting Partnership (LP). 2. Except for the above, we are not aware of whether there are affiliates or concert parties as defined in the <i>Administrative Measures for the Acquisition of the Listed Companies</i> among other shareholders.
Description of margin trading, short selling, and refinancing involving top 10 shareholders and top 10 holders of non-restricted shares	N/A

III. Other reminders

Other important information related to the Company’s business operation that investors are requested to pay attention to during the reporting period

Applicable N/A

During the reporting period, details of petition for invalidation involving the Company are stated as below:

1. As of the end of the reporting period, the Company have initiated a total of 3 invalidation petitions against the patents held by Delta Electronics, Inc., and China National Intellectual Property Administration has declared all the patents under the invalidation petitions above invalid.

2. As of the end of the reporting period, 1 invalidation petition has been initiated against a patent held by the Company, involving the patent “phosphor layer, component and corresponding light source and projection system, and corresponding production method” (patent No.: ZL201510420950.4); China National Intellectual Property Administration has decided that the patent shall be sustained.

IV. Quarter financial statements

(I) Audit opinion

Applicable N/A

(II) Financial statements

Consolidated Balance Sheet

September 30, 2023

Prepared by: Appotronics Corporation Limited

Unit: Yuan Currency: RMB, Unaudited

Item	September 30, 2023	December 31, 2022
Current Assets:		
Monetary funds	1,324,028,949.45	1,355,882,208.63
Balances with clearing agencies		
Placements with banks and other financial institutions		
Held-for-trading financial assets	512,880,000.00	352,880,000.00
Derivative financial assets		
Notes receivable	4,878,319.74	2,234,687.77
Accounts receivable	199,038,929.76	208,260,235.79
Receivables financing	5,419,150.00	4,279,041.00
Prepayments	34,389,091.93	48,445,976.86
Premiums receivable		
Amounts receivable under reinsurance contracts		
Reinsurer's share of insurance contract reserves		
Other receivables	27,004,516.64	26,331,721.55
Including: Interest receivable		
Dividend receivable	14,216,004.00	13,789,908.00
Financial assets purchased under resale agreements		
Inventories	755,090,295.10	865,639,961.79
Contract assets	1,796,634.65	1,061,581.35
Held-for-sale assets		
Non-current assets due within 1 year	38,476,429.79	13,431,554.82
Other current assets	90,695,468.40	106,502,611.79
Total current assets	2,993,697,785.46	2,984,949,581.35
Non-current Assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	29,355,813.40	11,524,193.80
Long-term equity investments	149,480,326.31	162,394,917.57
Investment in other equity instruments	7,075,419.38	7,075,419.38
Other non-current financial assets		
Investment properties		
Fixed assets	354,463,024.21	427,539,718.53
Construction in progress	328,713,619.78	278,978,057.73
Productive biological assets		
Oil and gas assets		
Right-of-use assets	47,725,408.15	62,255,670.29
Intangible assets	282,850,835.71	290,341,693.08
Development expenditure		

Goodwill		
Long-term prepaid expenses	7,603,183.41	5,990,984.03
Deferred tax assets	84,073,372.27	89,730,936.02
Other non-current assets	20,490,074.70	12,569,088.37
Total non-current assets	1,311,831,077.32	1,348,400,678.80
Total assets	4,305,528,862.78	4,333,350,260.15
Current Liabilities:		
Short-term borrowings	90,062,183.34	129,589,634.03
Loans from the central bank		
Taking from banks and other financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	79,941,708.13	201,299,388.57
Accounts payable	279,193,280.25	276,845,321.28
Receipts in advance	102,001,516.53	113,834,728.10
Contract liabilities	49,214,950.76	37,285,920.43
Financial assets sold under repurchase agreements		
Customer deposits and deposits from banks and other financial institutions		
Funds from securities trading agency		
Funds from underwriting securities agency		
Employee benefits payable	34,961,626.35	58,470,960.55
Taxes payable	9,809,349.51	8,272,768.90
Other payables	49,911,900.09	56,662,357.08
Including: Interest payable		
Dividend payable		
Fees and commissions payable		
Amounts payable under reinsurance contracts		
Held-for-sale liabilities		
Non-current liabilities due within 1 year	210,494,864.67	178,031,817.37
Other current liabilities	10,597,473.02	28,383,608.37
Total current liabilities	916,188,852.65	1,088,676,504.68
Non-current Liabilities:		
Insurance contract reserves		
Long-term borrowings	463,601,985.45	403,720,542.45
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	21,151,932.84	34,319,284.23
Long-term payables		
Long-term employee benefits payable		
Provisions	58,428,728.62	56,463,882.87
Deferred income	5,629,181.12	8,651,422.26

Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	548,811,828.03	503,155,131.81
Total liabilities	1,465,000,680.68	1,591,831,636.49
Owners' Equity (Shareholders' Equity):		
Paid-in capital (or share capital)	460,406,538.00	457,107,538.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	1,602,825,858.58	1,530,752,116.04
Less: Treasury shares	19,377,297.59	19,377,297.59
Other comprehensive income	9,192,476.98	5,736,897.41
Special reserve		
Surplus reserve	75,519,782.06	75,519,782.06
General risk reserve		
Retained profits	701,848,430.98	597,924,451.67
Total owners' (or shareholders') equity attributable to owners of the parent company	2,830,415,789.01	2,647,663,487.59
Minority interests	10,112,393.09	93,855,136.07
Total owners' (or shareholders') equity	2,840,528,182.10	2,741,518,623.66
Total liabilities and owners' (or shareholders') equity	4,305,528,862.78	4,333,350,260.15

Principal of the Company: LI Yi Chief Accountant: WANG Yingxia Person in Charge of the Accounting Body: WANG Yingxia

Consolidated Income Statement

January - September 2023

Prepared by: Appotronics Corporation Limited

Unit: Yuan Currency: RMB, Unaudited

Item	The first three quarters in 2023 (Jan. - Sep.)	The first three quarters in 2022 (Jan. - Sep.)
I. Total operating income	1,650,629,298.46	1,875,806,319.07
Including: Operating income	1,650,629,298.46	1,875,806,319.07
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating costs	1,542,669,966.99	1,818,361,563.44
Including: Operating costs	1,021,366,808.39	1,286,752,064.01
Interest expenses		
Fee and commission expenses		
Surrenders		
Claims and policyholder benefits (net of amounts recoverable from reinsurers)		
Net withdrawal of insurance contract reserves		
Insurance policyholder dividends		
Expenses for reinsurance accepted		
Taxes and surcharges	5,858,273.15	8,705,987.65
Selling expenses	218,998,049.76	200,257,568.83
Administrative expenses	119,450,993.66	163,525,277.50
R&D expenses	194,847,334.44	174,246,551.26
Financial expenses	-17,851,492.41	-15,125,885.81
Including: Interest expense	13,151,617.07	18,844,776.16
Interest income	24,619,974.59	10,707,361.63
Add: Other income	30,947,993.55	27,706,973.61
Investment income (loss is indicated by "-")	-4,775,953.81	13,360.80
Including: Income from investments in associates and joint ventures	-12,687,269.14	-9,299,223.08
Gains from derecognition of financial assets at amortized assets		
Foreign exchange gains (loss is indicated by "-")		
Gains from net exposure hedges (loss is indicated by "-")		
Gains from changes in fair values (loss is indicated by "-")		-2,009,000.00
Losses of credit impairment (loss is indicated by "-")	-8,626,426.92	3,912,023.56
Impairment losses of assets (loss is indicated by "-")	-37,160,710.01	-27,117,996.54

Gains from disposal of assets (loss is indicated by “-”)	67,005.93	123,037.54
III. Operating profit (loss is indicated by “-”)	88,411,240.21	60,073,154.60
Add: Non-operating income	9,564,777.53	501,785.71
Less: Non-operating expenses	849,717.64	2,038,616.70
IV. Total profits (total losses are indicated by “-”)	97,126,300.10	58,536,323.61
Less: Income tax expenses	22,251,378.07	22,417,671.57
V. Net profits (net losses are indicated by “-”)	74,874,922.03	36,118,652.04
(I) Categorized by the continuity of operation		
1. Net profits from continuing operations (net losses are indicated by “-”)	74,874,922.03	36,118,652.04
2. Net profits from discontinued operations (net losses are indicated by “-”)		
(II) Categorized by the ownership		
1. Net profits attributable to shareholders of the parent company (net losses are indicated by “-”)	128,559,185.24	91,356,217.12
2. Profits or losses attributable to minority shareholders (net losses are indicated by “-”)	-53,684,263.21	-55,237,565.08
VI. Other comprehensive income, net of tax	2,177,529.31	19,825,712.36
(I) Other comprehensive income that can be attributable to owners of the parent company, net of tax	3,455,579.57	20,714,964.79
1. Other comprehensive income that cannot be reclassified subsequently to profit or loss		
(1) Changes from remeasurement of defined benefit plans		
(2) Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
(3) Changes in fair value of investments in other equity instruments		
(4) Changes in fair value of enterprises’ own credit risks		
2. Other comprehensive income that will be reclassified to profit or loss	3,455,579.57	20,714,964.79
(1) Other comprehensive income that will be reclassified to profit or loss under the equity method	-5,564,055.75	-17,884,048.14
(2) Changes in fair value of other debt investments		
(3) Amount of financial assets reclassified to other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Reserve for cash flow hedges		
(6) Exchange differences on translation of financial statements denominated in foreign currencies	9,019,635.32	38,599,012.93
(7) Others		
(II) Other comprehensive income that can be attributable to minority shareholders, net of tax	-1,278,050.26	-889,252.43

VII. Total comprehensive income	77,052,451.34	55,944,364.40
(I) Total comprehensive income that can be attributable to owners of the parent company	132,014,764.81	112,071,181.91
(II) Total comprehensive income that can be attributable to minority shareholders	-54,962,313.47	-56,126,817.51
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.28	0.20
(II) Diluted earnings per share (RMB/share)	0.28	0.20

In the event of business combinations involving enterprises under common control, the net profits realized prior to the combination by the party being absorbed is: RMB 0.00, and the net profits realized in the last period by the party being absorbed is: RMB 0.00.

Principal of the Company: LI Yi Chief Accountant: WANG Yingxia Person in Charge of the Accounting Body: WANG Yingxia

Consolidated Cash Flow Statement

January - September 2023

Prepared by: Appotronics Corporation Limited

Unit: Yuan Currency: RMB, Unaudited

Item	The first three quarters in 2023 (Jan. - Sep.)	The first three quarters in 2022 (Jan. - Sep.)
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	1,757,565,303.26	2,164,236,179.89
Net increase in customer deposits and deposits from banks and other financial institutions		
Net increase in loans from the central bank		
Net increase in taking from banks and other financial institutions		
Cash receipts from premiums under direct insurance contracts		
Net cash receipts from reinsurance business		
Net cash receipts from policyholders' deposits and investment contract liabilities		
Cash receipts from interest, fees and commissions		
Net increase in taking from banks		
Net increase in financial assets sold under repurchase arrangements		
Net cash received from securities trading agencies		
Receipts of tax refunds	9,099,429.16	5,838,929.38
Other cash receipts relating to operating activities	147,180,568.77	48,236,150.56
Subtotal of cash inflows from operating activities	1,913,845,301.19	2,218,311,259.83
Cash payments for goods purchased and services received	1,011,990,601.62	1,515,632,936.78
Net increase in loans and advances to customers		
Net increase in balance with the central bank and due from banks and other financial institutions		
Cash payments for claims and policyholders' benefits under direct insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash payments for interest, fees and commissions		
Cash payments for insurance policyholder dividends		
Cash payments to and on behalf of employees	335,781,983.08	323,124,265.49
Payments of various types of taxes	44,740,201.92	73,909,253.09
Other cash payments relating to operating activities	312,399,946.93	294,424,967.06
Subtotal of cash outflows from operating activities	1,704,912,733.55	2,207,091,422.42

Net cash flow from operating activities	208,932,567.64	11,219,837.41
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and recovery of investments	1,095,997,200.00	1,580,644,186.95
Cash receipts from investment income	7,911,315.33	9,312,583.88
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	182,825.00	2,210.00
Net cash receipts from disposals of subsidiaries and other business units		
Other cash receipts relating to investing activities		8,085,360.00
Subtotal of cash inflows from investing activities	1,104,091,340.33	1,598,044,340.83
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	73,389,029.37	109,638,548.45
Cash payments to acquire investments	1,255,816,480.00	1,330,000,000.00
Net increase in pledged loans receivables		
Net cash payments for acquisitions of subsidiaries and other business units	11,831,365.16	
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	1,341,036,874.53	1,439,638,548.45
Net cash flows from investment activities	-236,945,534.20	158,405,792.38
III. Cash Flows from Financing Activities:		
Cash receipts from capital contributions	50,609,959.00	51,233,634.36
Including: Cash receipts from capital contributions from minority shareholders of subsidiaries		
Cash receipts from borrowings	273,665,768.86	346,952,995.19
Other cash receipts relating to financing activities		
Subtotal of cash inflows from financing activities	324,275,727.86	398,186,629.55
Cash repayments of borrowings	219,509,994.00	152,403,832.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	57,297,337.70	67,299,926.03
Including: Payments for distribution of dividends or profits to minority shareholders of subsidiaries	11,040,000.00	
Other cash payments relating to financing activities	25,485,551.97	40,688,919.08
Subtotal of cash outflows from financing activities	302,292,883.67	260,392,677.11
Net cash flows from financing activities	21,982,844.19	137,793,952.44
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	8,243,426.24	23,809,674.61
V. Net Increase in Cash and Cash Equivalents	2,213,303.87	331,229,256.84
Add: Opening balance of cash and cash equivalents	1,254,582,403.12	891,195,166.73
VI. Closing Balance of Cash and Cash Equivalents	1,256,795,706.99	1,222,424,423.57

Principal of the Company: LI Yi Chief Accountant: WANG Yingxia Person in Charge of the Accounting Body: WANG Yingxia

Description of adjustments in opening balances of line items in financial statements of the year due to initial adoption of new accounting standards or interpretations of standards since 2023

Applicable N/A

Be it hereby announced.

Board of Directors of Appotronics Corporation Limited

October 25, 2023