

Stock code: 002384

Stock short name: DSBJ

Announcement No.: 2024-041

Suzhou Dongshan Precision Manufacturing Co., Ltd. First Quarter Report 2024

The Company and all members of the Board of Directors hereby warrant that the information contained in this Report is true, accurate and complete and this Report is free from any misrepresentation, misleading statement or material omission.

Important note:

1. The Board of Directors, the Board of Supervisors, directors, supervisors and senior executives of the Company hereby warrant that the information contained in this Quarterly Report is true, accurate and complete and this Quarterly Report is free from any misrepresentation, misleading statement or material omission, and agree to assume joint and several liability for this Quarterly Report.
2. YUAN Yonggang, Principal of the Company, CFO WANG Xu and Accounting Supervisor ZHU Deguang hereby represent that the financial information contained in this Quarterly Report is true, accurate and complete.
3. Whether this First Quarter Report has been audited?
 Yes No

Note:

This document is a translated version of the Chinese First Quarter Report 2024 ("2024 年第一季度报告"). In case of any discrepancies, the First Quarter Report 2024 published in the Chinese version shall prevail. The full Chinese First Quarter Report 2024 is available at www.cninfo.com.cn.

I. Key Financial Data**(I) Key accounting data and financial indicators**

Did the Company need to retrospectively adjust or restate any accounting data of prior years?

Yes No

| | 2024 Jan-Mar | 2023 Jan-Mar | Change |
|---|-------------------|-------------------|---------|
| Operating revenue (RMB) | 7,744,804,604.28 | 6,511,602,610.15 | 18.94% |
| Net profit attributable to shareholders of the Listed Company (RMB) | 289,348,487.81 | 471,650,134.12 | -38.65% |
| Net profit attributable to shareholders of the Listed Company after deduction of non-recurring gain or loss (RMB) | 261,306,973.35 | 280,096,313.63 | -6.71% |
| Net cash flow from operating activities (RMB) | 1,557,837,879.15 | 1,799,383,005.75 | -13.42% |
| Basic earnings per share (RMB/share) | 0.17 | 0.28 | -39.29% |
| Diluted earnings per share (RMB/share) | 0.17 | 0.28 | -39.29% |
| Weighted average return on net assets | 1.57% | 2.85% | -1.28% |
| | March 31, 2024 | December 31, 2023 | Change |
| Total assets (RMB) | 45,562,508,510.25 | 44,371,719,028.28 | 2.68% |
| Owners' equity attributable to shareholders of the Listed Company (RMB) | 18,373,771,308.37 | 18,143,026,745.54 | 1.27% |

(II) Items and amounts of non-recurring gains or losses

Applicable N/A

In RMB

| Item | 2024 Jan-Mar | Remark |
|--|---------------|--------|
| Gain or loss on disposal of non-current assets (including allowance for impairment of assets that has been written off) | -6,118,647.30 | |
| Government grants recognized in profit or loss (excluding the government grants that are closely related to the business of the Company, conform to the applicable policies of the country, are provided in accordance with the established standards, and continuously affect the Company's profit or loss) | 39,393,780.81 | |
| Gain or loss on changes in fair value of financial assets and financial liabilities held by non-financial entities, and gain or loss on disposal of financial assets and financial liabilities, except for effective hedges held in the ordinary course of business | -425,001.44 | |
| Other non-operating revenue and expenses | -700,966.72 | |
| Less: Effect on income tax | 4,037,935.17 | |
| Effect on minority interests (exclusive of tax) | 69,715.72 | |
| Total | 28,041,514.46 | |

Other items of gain or loss within the meaning of non-recurring gains or losses:

Applicable N/A

We do not have any other item of gain or loss within the meaning of non-recurring gains or losses.

Classification of any item of non-recurring gain or loss defined by the *Explanatory Announcement No. 1 on Information Disclosure by Companies Publicly Offering Securities - Non-recurring Gain or Loss* as recurring gain or loss:

Applicable N/A

We have not classified any item of non-recurring gain or loss defined by the *Explanatory Announcement No. 1 on Information Disclosure by Companies Publicly Offering Securities - Non-recurring Gain or Loss* as recurring gain or loss.

(III) Changes in key accounting data and financial indicators, and reasons

☑ Applicable ☐ N/A

In RMB

| Balance sheet item | March 31, 2024 | December 31, 2023 | Change | Reason |
|--|-------------------|-------------------|----------|---|
| Cash and bank balances | 9,576,910,104.49 | 7,190,036,231.06 | 33.20% | Primarily due to stable cash flows provided by the operating activities during the reporting period and lower capital expenditures compared to the same period of the previous year, as well as a temporary increase in bank loans. |
| Notes receivable | 25,210,385.02 | 3,407,623.49 | 639.82% | Primarily due to an increase in the commercial acceptance bills received by certain subsidiaries in the current period. |
| Financial liabilities held for trading | 159,387,320.86 | 104,174,076.23 | 53.00% | Primarily due to an increase in the financial liabilities recognized under hedging contracts due to changes in foreign exchange rates during the first quarter. |
| Accounts receivable financing | 152,757,569.67 | 290,477,095.22 | -47.41% | Primarily due to an increase in the banker's acceptance bills received in the current period. |
| Income statement item | 2024 Jan-Mar | 2023 Jan-Mar | Change | Reason |
| R&D expenses | 253,417,603.85 | 193,113,365.49 | 31.23% | Primarily due to an increase in the R&D projects as the Company enhances R&D efforts focusing on the core business. |
| Financial expenses | -5,009,091.39 | 134,082,532.89 | -103.74% | Primarily due to an increase in the interest income compared to the same period of the previous year, and increase in exchange gains. |
| Interest income | 68,761,600.49 | 51,062,981.56 | 34.66% | Primarily due to an increase in interest income from increased bank deposits. |
| Investment income (loss expressed with "-") | -2,133,536.06 | 377,108.36 | -665.76% | Primarily due to an increase in the discounting costs of notes receivable in the current period. |
| Credit loss (loss expressed with "-") | -29,221,136.72 | -21,312,317.05 | -37.11% | Primarily due to an increase in the allowance for doubtful accounts receivable recognized in the current period according to the age of accounts receivable. |
| Impairment of assets (loss expressed with "-") | -93,518,082.87 | 18,489,783.36 | -605.78% | Primarily due to an increase in the inventory provision recognized in the current period based on costs and net realizable value of inventories. |
| Gain on disposal of assets (loss expressed with "-") | -6,118,647.30 | -1,886,457.79 | -224.35% | Primarily due to losses on the disposal of idle equipment of certain subsidiaries in the current period. |
| Non-operating revenue | 1,937,787.73 | 158,881,877.68 | -98.78% | Primarily due to the investment income arising from the acquisition of JDI Electronics last year. |
| Non-operating expenses | 2,638,754.45 | 1,353,291.43 | 94.99% | Primarily due to an increase in the donations made in the current period. |
| Total profit | 346,267,196.58 | 502,141,586.52 | -31.04% | Primarily due to the investment income arising from the acquisition of JDI Electronics last year. |
| Income tax expenses | 56,999,473.72 | 30,644,133.19 | 86.00% | Primarily due to an increase in the taxable income for the current period. |
| Cash flow statement item | 2024 Jan-Mar | 2023 Jan-Mar | Change | Reason |
| Net cash flows from investing activities | -1,076,101,136.92 | -2,655,184,572.50 | 59.47% | Primarily due to the acquisition of JDI Electronics and Aranda in the same period last year. |
| Net cash flows from financing activities | 1,476,912,312.82 | 2,675,548,733.23 | -44.80% | Primarily due to an increase in the M&A loans and mid-to-long term loans last year in connection with certain acquisitions. |
| Effect of exchange rate changes on cash and cash equivalents | -203,661,385.74 | 217,480,352.46 | -193.65% | Primarily due to changes in the net assets denominated in USD. |

II. Particulars of Shareholders

(I) Total number of ordinary shareholders, number of preferred shareholders whose voting rights have been restituted, and top 10 shareholders

Unit: Shares

| Total number of ordinary shareholders at the end of the reporting period | 107,091 | Total number of preferred shareholders whose voting rights had been restituted at the end of the reporting period (if any) | 0 | | | |
|---|--|--|--------------------|---------------------------------|------------------------------|----------------|
| Top 10 shareholders (excluding the shares lent via refinancing) | | | | | | |
| Name of shareholder | Status of shareholder | Shareholding percentage (%) | No. of shares held | No. of non-tradable shares held | Pledge, attachment or freeze | |
| | | | | | Status of shares | Number |
| YUAN Yongfeng | Domestic natural person | 13.01% | 222,388,153.00 | 166,791,115.00 | Pledged | 120,940,000.00 |
| YUAN Yonggang | Domestic natural person | 11.83% | 202,226,196.00 | 151,669,647.00 | Pledged | 91,790,000.00 |
| Hong Kong Securities Clearing Company Limited | Foreign corporation | 3.47% | 59,337,049.00 | 0.00 | N/A | 0.00 |
| YUAN Fugen | Domestic natural person | 3.44% | 58,796,052.00 | 0.00 | N/A | 0.00 |
| Schroder Investment Management (Hong Kong) Limited- Schroder Global Fund Series Chinese A-shares (Exchange) | Others | 1.30% | 22,181,428.00 | 0.00 | N/A | 0.00 |
| Taikang Life Insurance – Traditional – General Insurance Product -019L-CT001 Shenzhen | Others | 1.04% | 17,801,015.00 | 0.00 | N/A | 0.00 |
| China Life Insurance – Traditional – General Insurance Product -005L-CT001 Shanghai | Others | 1.03% | 17,562,418.00 | 0.00 | N/A | 0.00 |
| Agricultural Bank of China – CSI 500 ETF | Others | 0.95% | 16,194,400.00 | 0.00 | N/A | 0.00 |
| Taikang Life Insurance – Traditional – Dividends – Personal Dividends – 019L-FH002 Shenzhen | Others | 0.88% | 15,016,655.00 | 0.00 | N/A | 0.00 |
| China Merchants Bank – Ruiyuan Growth Value Hybrid Securities Investment Fund | Others | 0.82% | 14,092,748.00 | 0.00 | N/A | 0.00 |
| Shareholding by the top 10 holders of tradable shares | | | | | | |
| Shareholder | Number of tradable shares held at the end of the reporting period | Type and number of shares | | | | |
| | | Type | Number | | | |
| Hong Kong Securities Clearing Company Limited | 59,337,049.00 | RMB-denominated ordinary share | 59,337,049.00 | | | |
| YUAN Fugen | 58,796,052.00 | RMB-denominated ordinary share | 58,796,052.00 | | | |
| YUAN Yongfeng | 55,597,038.00 | RMB-denominated ordinary share | 55,597,038.00 | | | |
| YUAN Yonggang | 50,556,549.00 | RMB-denominated ordinary share | 50,556,549.00 | | | |
| Schroder Investment Management (Hong Kong) Limited- Schroder Global Fund Series Chinese A-shares (Exchange) | 22,181,428.00 | RMB-denominated ordinary share | 22,181,428.00 | | | |
| Taikang Life Insurance – Traditional – General Insurance Product -019L-CT001 Shenzhen | 17,801,015.00 | RMB-denominated ordinary share | 17,801,015.00 | | | |
| China Life Insurance – Traditional – General Insurance Product -005L-CT001 Shanghai | 17,562,418.00 | RMB-denominated ordinary share | 17,562,418.00 | | | |
| Agricultural Bank of China – CSI 500 ETF | 16,194,400.00 | RMB-denominated ordinary share | 16,194,400.00 | | | |
| Taikang Life Insurance – Traditional – Dividends – Personal Dividends – 019L-FH002 Shenzhen | 15,016,655.00 | RMB-denominated ordinary share | 15,016,655.00 | | | |
| China Merchants Bank – Ruiyuan Growth Value Hybrid Securities Investment Fund | 14,092,748.00 | RMB-denominated ordinary share | 14,092,748.00 | | | |
| Affiliates or concert parties among the shareholders listed above | Among the shareholders listed above, YUAN Yonggang and YUAN Yongfeng are sons of YUAN Fugen, and YUAN Yongfeng is the elder brother of YUAN Yonggang. YUAN Fugen, YUAN Yongfeng and YUAN Yonggang are our actual controllers. We are not aware whether there are affiliates or concert parties within the meaning of the <i>Administrative Measures for Information Disclosure by the Listed Companies Relating to Changes in Shares Held by Shareholders</i> among other shareholders listed above. | | | | | |
| Securities margin trading conducted by top 10 shareholders (if any) | N/A | | | | | |

Share lending by shareholders holding more than 5% of the shares, top 10 shareholders and top 10 holders of tradable shares via refinancing:

Applicable N/A

Unit: Shares

| Share lending by shareholders holding more than 5% of the shares, top 10 shareholders and top 10 holders of tradable shares via refinancing | | | | | | | | |
|---|---|--------------------------|--|--------------------------|---|--------------------------|--|--------------------------|
| Full name of shareholder | Number of shares held in ordinary account and margin trading account at the beginning of the current period | | Number of outstanding shares lent via refinancing at the beginning of the current period | | Number of shares held in ordinary account and margin trading account at the end of the current period | | Number of outstanding shares lent via refinancing at the end of the current period | |
| | Total number | % of total share capital | Total number | % of total share capital | Total number | % of total share capital | Total number | % of total share capital |
| Agricultural Bank of China – CSI | 7,506,900.00 | 0.44% | 2,217,500 | 0.13% | 16,194,400.00 | 0.95% | 1,177,500 | 0.07% |

| | | | | | | | | |
|---------|--|--|--|--|--|--|--|--|
| 500 ETF | | | | | | | | |
|---------|--|--|--|--|--|--|--|--|

Changes compared to the previous period due to shares lent or returned via refinancing by the top 10 shareholders and top 10 holders of tradable shares:

Applicable N/A

Unit: Shares

| Changes compared to the previous period due to shares lent or returned via refinancing by the top 10 shareholders and top 10 holders of tradable shares | | | | | |
|---|--|--|--------------------------|---|--------------------------|
| Full name of shareholder | New or withdrawn in the current period | Number of outstanding shares lent via refinancing at the end of the current period | | Number of shares held in ordinary account and margin trading account and outstanding shares lent via refinancing at the end of the current period | |
| | | Total number | % of total share capital | Total number | % of total share capital |
| China Life Insurance – Traditional – General Insurance Product -005L-CT001 Shanghai | New | 0 | 0.00% | 17,562,418 | 1.03% |
| Agricultural Bank of China – CSI 500 ETF | New | 1,177,500 | 0.07% | 17,371,900 | 1.02% |
| Taikang Life Insurance – Dividends – Personal Dividends – 019L-FH002 Shenzhen | New | 0 | 0.00% | 15,016,655 | 0.88% |
| China Everbright Bank - Aegon-Industrial Business Model Selection Hybrid Securities Investment Fund (LOF) | Withdrawn | 0 | 0.00% | 6,231,901 | 0.36% |
| Industrial Bank - Aegon-Industrial New Vision Flexible Allocation, Periodic Opening Hybrid Sponsored Securities Investment Fund | Withdrawn | 0 | 0.00% | 5,813,638 | 0.34% |
| Ping An Anying Stock-oriented Pension Product – Bank of China | Withdrawn | 0 | 0.00% | 13,764,351 | 0.80% |

(II) Total number of preferred shareholders and shareholding by top 10 preferred shareholders

Applicable N/A

III. Other Significant Matters

Applicable N/A

- During the reporting period, our sales revenue from the new energy business was about RMB1.829 billion, an increase of about 56.46% compared to the same period of the previous year.
- During the reporting period, we repurchased 1,588,800 shares in total by aggregate auction through the dedicated securities account for repurchase, at the total price of RMB24.997 million (excluding the transaction costs). Such repurchase complied with the applicable laws and regulations, and our share repurchase plan.
- During the reporting period, taking into account the current capital market environment, changes in policies, our capital operation plan and other factors, through sufficient communications with the relevant brokers, we decided to terminate the offering of convertible corporate bonds to unspecified investors. The termination of this bond offering was considered and approved at the 7th meeting of the 6th Board of Directors and the 5th meeting of the 6th Board of Supervisors, and according to the authority granted at the 3rd extraordinary general meeting of shareholders in 2023, was not subject to the approval of the general meeting of shareholders.
- During the reporting period, the proposal for offering A-shares to specified investors in 2024 was considered and adopted at the 7th meeting of the 6th Board of Directors and the 5th meeting of the 6th Board of Supervisors, approving our issuance of shares in a total amount of up to RMB1.5 billion to YUAN Yonggang and YUAN Yongfeng, our actual controllers, the offering proceeds received from which, after deduction of the offering costs, would be wholly used to replenish our working capital. The relevant proposal has been approved at the 2nd extraordinary general meeting of shareholders in 2024.

IV. Quarterly Financial Statements

(I) Financial statements

1. Consolidated balance sheet

Prepared by: Suzhou Dongshan Precision Manufacturing Co., Ltd.

March 31, 2024

In RMB

| Item | Closing balance | Opening balance |
|--|--------------------------|--------------------------|
| Current assets: | | |
| Cash and bank balances | 9,576,910,104.49 | 7,190,036,231.06 |
| Settlement deposit | | |
| Loans to banks and other financial institutions | | |
| Financial assets held for trading | 152,245,731.91 | 146,141,371.77 |
| Derivative financial assets | | |
| Notes receivable | 25,210,385.02 | 3,407,623.49 |
| Accounts receivable | 5,788,954,839.70 | 7,713,164,772.05 |
| Accounts receivable financing | 152,757,569.67 | 290,477,095.22 |
| Advances to suppliers | 99,280,067.53 | 79,782,739.11 |
| Premiums receivable | | |
| Reinsurance accounts receivable | | |
| Reinsurance contract reserves receivable | | |
| Other receivables | 76,606,081.41 | 77,134,897.39 |
| Incl.: Interest receivable | | |
| Dividends receivable | | |
| Financial assets held under resale agreements | | |
| Inventories | 6,480,397,115.75 | 6,293,879,276.54 |
| Incl.: Data resources | | |
| Contract assets | | |
| Assets held for sale | | |
| Non-current assets due within one year | | |
| Other current assets | 781,711,069.91 | 651,719,745.68 |
| Total current assets | 23,134,072,965.39 | 22,445,743,752.31 |
| Non-current assets: | | |
| Loans and advances to clients | | |
| Debt investments | | |
| Other debt investments | | |
| Long-term receivables | 30,000,000.00 | 30,000,000.00 |
| Long-term equity investments | 155,406,879.89 | 155,406,879.89 |
| Investments in other equity instruments | 283,657,110.00 | 278,157,110.00 |
| Other non-current financial assets | | |
| Investment properties | 974,412.47 | 1,038,840.26 |
| Fixed assets | 12,626,832,367.03 | 12,415,251,689.80 |
| Construction in progress | 1,775,689,973.51 | 1,842,525,188.54 |
| Productive biological assets | | |
| Oil and gas assets | | |
| Right-of-use assets | 1,253,757,851.97 | 1,252,668,050.83 |
| Intangible assets | 934,346,471.48 | 863,692,421.74 |
| Incl.: Data resources | | |
| Development expenses | | |
| Incl.: Data resources | | |
| Goodwill | 2,209,199,500.95 | 2,209,199,500.98 |
| Long-term deferred expenses | 887,713,854.29 | 866,872,191.21 |
| Deferred tax assets | 1,104,234,822.76 | 1,078,140,428.38 |
| Other non-current assets | 1,166,622,300.51 | 933,022,974.34 |
| Total non-current assets | 22,428,435,544.86 | 21,925,975,275.97 |
| Total assets | 45,562,508,510.25 | 44,371,719,028.28 |
| Current liabilities: | | |
| Short-term borrowings | 6,265,314,841.70 | 5,156,100,217.01 |
| Borrowings from Central Bank | | |
| Borrowings from banks and other financial institutions | | |

| | | |
|---|-------------------|-------------------|
| Financial liabilities held for trading | 159,387,320.86 | 104,174,076.23 |
| Derivative financial liabilities | | |
| Notes payable | 1,014,330,554.16 | 909,171,215.93 |
| Accounts payable | 7,286,477,454.76 | 8,039,107,176.52 |
| Advances from clients | | |
| Contract liabilities | 34,091,670.34 | 28,982,676.07 |
| Financial assets sold under repurchase agreements | | |
| Deposits from clients and other banks | | |
| Funds received as stock broker | | |
| Funds received as underwriter of securities | | |
| Employee benefits payable | 407,868,832.94 | 553,178,980.68 |
| Taxes payable | 516,856,518.67 | 475,576,206.83 |
| Other payables | 84,018,191.98 | 80,188,628.54 |
| Incl.: Interest payable | | |
| Dividends payable | | |
| Fees and commissions payable | | |
| Reinsurance accounts payable | | |
| Liabilities held for sale | | |
| Non-current liabilities due within one year | 2,574,231,466.81 | 2,496,716,906.35 |
| Other current liabilities | 4,922,375.29 | 6,556,017.38 |
| Total current liabilities | 18,347,499,227.51 | 17,849,752,101.54 |
| Non-current liabilities: | | |
| Provision for insurance contracts | | |
| Long-term borrowings | 5,185,944,723.58 | 4,706,280,338.76 |
| Bonds payable | | |
| Incl.: Preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 1,860,785,062.02 | 1,842,799,193.80 |
| Long-term payables | 276,258,365.53 | 296,995,789.48 |
| Long-term employee benefits payable | | |
| Provisions | 50,692,640.34 | 60,785,210.44 |
| Deferred income | 726,513,898.19 | 733,456,685.17 |
| Deferred tax liabilities | 693,794,197.94 | 691,293,111.83 |
| Other non-current liabilities | | |
| Total non-current liabilities | 8,793,988,887.60 | 8,331,610,329.48 |
| Total liabilities | 27,141,488,115.11 | 26,181,362,431.02 |
| Owners' equity: | | |
| Share capital | 1,709,867,327.00 | 1,709,867,327.00 |
| Other equity instruments | | |
| Incl.: Preferred shares | | |
| Perpetual bonds | | |
| Capital reserve | 8,064,875,550.95 | 8,063,768,409.73 |
| Less: Treasury shares | 150,907,657.63 | 125,906,811.33 |
| Other comprehensive income | -749,374,798.54 | -714,664,578.64 |
| Special reserve | | |
| Surplus reserve | 184,866,869.73 | 184,866,869.73 |
| General risk reserve | | |
| Retained profits | 9,314,444,016.86 | 9,025,095,529.05 |
| Total owners' equity attributable to the parent company | 18,373,771,308.37 | 18,143,026,745.54 |
| Minority interests | 47,249,086.77 | 47,329,851.72 |
| Total owners' equity | 18,421,020,395.14 | 18,190,356,597.26 |
| Total liabilities and owners' equity | 45,562,508,510.25 | 44,371,719,028.28 |

Legal Representative: YUAN Yonggang

CFO: WANG Xu

Accounting Supervisor: ZHU Deguang

2. Consolidated income statement

In RMB

| Item | Current period | Previous period |
|---|------------------|------------------|
| I. Total operating revenue | 7,744,804,604.28 | 6,511,602,610.15 |
| Incl.: Operating revenue | 7,744,804,604.28 | 6,511,602,610.15 |
| Interest income | | |
| Premiums earned | | |
| Fee and commission income | | |
| II. Total operating costs | 7,312,430,568.81 | 6,206,104,833.14 |
| Incl.: Operating costs | 6,691,217,022.58 | 5,547,703,406.89 |
| Interest expenses | | |
| Fee and commission expenses | | |
| Surrenders | | |
| Net payments for insurance claims | | |
| Net insurance claim reserves | | |
| Policyholder dividends | | |
| Reinsurance expenses | | |
| Taxes and surcharges | 35,204,505.88 | 21,541,805.59 |
| Selling expenses | 74,628,448.25 | 67,177,599.40 |
| Administrative expenses | 262,972,079.64 | 242,486,122.88 |
| Research and development expenses | 253,417,603.85 | 193,113,365.49 |
| Financial expenses | -5,009,091.39 | 134,082,532.89 |
| Incl.: Interest expenses | 106,270,471.95 | 115,492,119.87 |
| Interest income | 68,761,600.49 | 51,062,981.56 |
| Add: Other income | 46,010,532.22 | 46,689,225.26 |
| Investment income (loss expressed with "-") | -2,133,536.06 | 377,108.36 |
| Incl.: Investment income from associates and joint ventures | -1,138,774.87 | -1,009,134.30 |
| Gain on derecognition of financial assets at amortized cost | | |
| Exchange gain (loss expressed with "-") | | |
| Net exposure hedging income (loss expressed with "-") | | |
| Gain on changes in fair value (loss expressed with "-") | -425,001.44 | -3,242,118.89 |
| Credit loss (loss expressed with "-") | -29,221,136.72 | -21,312,317.05 |
| Impairment loss on assets (loss expressed with "-") | -93,518,082.87 | 18,489,783.36 |
| Gain on disposal of assets (loss expressed with "-") | -6,118,647.30 | -1,886,457.79 |
| III. Operating profit (loss expressed with "-") | 346,968,163.30 | 344,613,000.26 |
| Add: Non-operating revenue | 1,937,787.73 | 158,881,877.68 |
| Less: Non-operating expenses | 2,638,754.45 | 1,353,291.43 |
| IV. Profit before tax (loss expressed with "-") | 346,267,196.58 | 502,141,586.51 |
| Less: Income tax expenses | 56,999,473.72 | 30,644,133.19 |
| V. Net profit (loss expressed with "-") | 289,267,722.86 | 471,497,453.32 |
| (I) Classified by continuity of operation | | |
| 1. Net profit from continuing operation | 289,267,722.86 | 471,497,453.32 |
| 2. Net profit from discontinued operation | | |
| (II) Classified by attribution | | |
| 1. Net profit attributable to owners of the parent company (loss expressed with "-") | 289,348,487.81 | 471,650,134.12 |
| 2. Minority interests (loss expressed with "-") | -80,764.95 | -152,680.80 |
| VI. Other comprehensive income, net | -28,364,080.55 | -52,692,681.55 |
| Other comprehensive income attributable to owners of the parent company, net after tax | -28,364,080.55 | -52,692,681.55 |
| (I) Other comprehensive income that cannot be reclassified to profit or loss | | |
| 1. Changes arising from remeasurement of defined benefit plans | | |
| 2. Other comprehensive income that cannot be reclassified to profit or loss under equity method | | |

| | | |
|--|----------------|----------------|
| 3. Change in fair value of investments in other equity instruments | | |
| 4. Change in fair value of the corporation's credit risk | | |
| 5. Others | | |
| (II) Other comprehensive income that will be reclassified to profit or loss | -28,364,080.55 | -52,692,681.55 |
| 1. Other comprehensive income that can be reclassified to profit or loss under equity method | | |
| 2. Change in fair value of other debt investments | | |
| 3. Financial assets reclassified to other comprehensive income | | |
| 4. Provision for credit impairment of other debt investments | | |
| 5. Reserves for cash flow hedge | -46,340,616.69 | 31,935,634.32 |
| 6. Differences in translation of foreign currency financial statements | 17,976,536.14 | -84,628,315.87 |
| 7. Others | | |
| Other comprehensive income attributable to minority interests, net after tax | | |
| VII. Total comprehensive income | 260,903,642.31 | 418,804,771.77 |
| Total comprehensive income attributable to owners of the parent company | 260,984,407.26 | 418,957,452.57 |
| Total comprehensive income attributable to minority interests | -80,764.95 | -152,680.80 |
| VIII. Earnings per share: | | |
| (I) Basic earnings per share | 0.17 | 0.28 |
| (II) Diluted earnings per share | 0.17 | 0.28 |

The net profit realized by the acquirees before acquisition in business combinations involving entities under common control occurred in the current period was nil in the current period and nil in the previous period.

Legal Representative: YUAN Yonggang

CFO: WANG Xu

Accounting Supervisor: ZHU Deguang

3. Consolidated cash flow statement

In RMB

| Item | Current period | Previous period |
|--|-------------------|------------------|
| I. Cash flows from operating activities | | |
| Proceeds from sale of goods and rendering of services | 9,566,045,347.79 | 7,810,895,407.28 |
| Net increase in deposits from clients and other banks | | |
| Net increase in borrowings from Central Bank | | |
| Net increase in borrowings from other financial institutions | | |
| Proceeds from premiums under prior insurance contracts | | |
| Net proceeds from reinsurance business | | |
| Net increase in the insured's deposits and investments | | |
| Proceeds from interest, fees and commissions | | |
| Net increase in borrowings from banks and other financial institutions | | |
| Net increase in receipts under repurchase transactions | | |
| Net cash received as stock broker | | |
| Tax refunds received | 284,423,129.15 | 276,523,290.40 |
| Other proceeds relating to operating activities | 349,598,272.28 | 499,635,693.30 |
| Subtotal of cash inflows from operating activities | 10,200,066,749.22 | 8,587,054,390.98 |
| Payments for purchase of goods and receipt of services | 6,655,875,365.23 | 5,126,240,152.40 |
| Net increase in loans and advances from clients | | |
| Net increase in deposits in Central Bank and other banks | | |
| Payment of claims under prior insurance contracts | | |
| Net increase in loans to banks and other financial institutions | | |
| Payment of interest, fees and commissions | | |

| | | |
|--|-------------------|-------------------|
| Payment of policyholder dividends | | |
| Payments to and for employees | 1,246,067,419.65 | 1,076,893,284.86 |
| Taxes paid | 165,222,877.75 | 116,068,450.56 |
| Other payments relating to operating activities | 575,063,207.44 | 468,469,497.41 |
| Subtotal of cash outflows from operating activities | 8,642,228,870.07 | 6,787,671,385.23 |
| Net cash flows from operating activities | 1,557,837,879.15 | 1,799,383,005.75 |
| II. Cash flows from investing activities: | | |
| Proceeds from disposal of investments | 411,437,004.71 | 1,883,885,925.02 |
| Proceeds from return on investments | 1,597,223.39 | 18,866,297.97 |
| Net proceeds from disposal of fixed assets, intangible assets and other long-term assets | 14,087,434.64 | 4,910,538.85 |
| Net proceeds from disposal of subsidiaries and other business entities | | |
| Other proceeds relating to investing activities | 1,980,782.41 | 19,655,920.00 |
| Subtotal of cash inflows from investing activities | 429,102,445.15 | 1,927,318,681.84 |
| Payments for acquisition of fixed assets, intangible assets and other long-term assets | 885,104,031.28 | 1,057,849,522.33 |
| Payments for investments | 609,673,837.08 | 1,997,294,891.61 |
| Net increase in mortgage loans | | |
| Net Payments for acquisition of subsidiaries and other business entities | | 871,494,465.40 |
| Other cash payments relating to investing activities | 10,425,713.71 | 655,864,375.00 |
| Subtotal of cash outflows from investing activities | 1,505,203,582.07 | 4,582,503,254.34 |
| Net cash flows from investing activities | -1,076,101,136.92 | -2,655,184,572.50 |
| III. Cash flows from financing activities: | | |
| Proceeds from investors | | |
| Incl.: Proceeds of subsidiaries from minority shareholders' investments | | |
| Cash receipts from borrowings | 4,023,814,434.12 | 5,683,728,812.48 |
| Other proceeds relating to financing activities | 47,248,276.45 | 326,781,646.99 |
| Subtotal of cash inflows from financing activities | 4,071,062,710.57 | 6,010,510,459.47 |
| Repayment of borrowings | 1,948,497,173.59 | 3,125,069,505.12 |
| Payment of distribution of dividends and profits or for interest | 89,439,788.65 | 131,296,673.72 |
| Incl.: Dividends and profits distributed by subsidiaries to minority shareholders | | |
| Other payments relating to financing activities | 556,213,435.51 | 78,595,547.40 |
| Subtotal of cash outflows from financing activities | 2,594,150,397.75 | 3,334,961,726.24 |
| Net cash flows from financing activities | 1,476,912,312.82 | 2,675,548,733.23 |
| IV. Effects of exchange rate changes on cash and cash equivalents | -203,661,385.74 | 217,480,352.46 |
| V. Net increase in cash and cash equivalents | 1,754,987,669.31 | 2,037,227,518.94 |
| Add: Opening balance of cash and cash equivalents | 5,874,684,447.67 | 5,457,026,822.70 |
| VI. Closing balance of cash and cash equivalents | 7,629,672,116.98 | 7,494,254,341.64 |

(II) Adjustment of the opening balance of related financial statement items due to the initial adoption of new accounting standards since 2024

Applicable N/A

(III) Auditor's report

Whether the First Quarter Report has been audited?

Yes No

This First Quarter Report has not been audited.

The Board of Directors of Suzhou Dongshan Precision Manufacturing Co., Ltd.

April 25, 2024