

CSG HOLDING CO., LTD.

**THE first QUARTER REPORT 2023**



Chairman of the Board:

CHEN LIN

**April 2023**

Stock Code: 000012/200012

Short Form of Stock: Southern Glass A/B

Notice No.:2023-020

## CSG Holding Co., Ltd.

### The First Quarter Report 2023

The Company and all the members of the Board of Directors confirm that the information disclosed is authentic, accurate and complete, and there are no any fictitious statements, misleading statements or significant omissions carried in this report.

#### **Important Notice:**

1. Board of Directors and the Supervisory Committee and its directors, supervisors and senior executives hereby confirm that the Quarter Report is authentic, accurate and complete and there are no any fictitious statements, misleading statements, or significant omissions carried in this report, and shall take individual and joint legal responsibilities.
2. Head of the Company, responsible person in charge of accounting and principal of the financial department (accounting officer) confirm that the financial information in this Quarter Report is authentic, accurate and complete.
3. Whether the First Quarter Report has been audited or not

Yes  No

This report is prepared both in Chinese and English. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

#### **I. Main financial data**

##### **(I) Major accounting data and financial indicators**

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes  No

	The report period	The same period of the previous year	Year-on-year increase/decrease
Operating income (RMB)	4,070,673,784	2,785,709,687	46.13%
Net profit attributable to shareholders of the listed company (RMB)	396,406,087	383,682,831	3.32%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	369,241,752	336,240,261	9.81%
Net cash flow arising from operating activities (RMB)	-284,407,179	102,057,062	-378.67%

Basic earnings per share (RMB/Share)	0.13	0.12	8.33%
Diluted earnings per share (RMB/Share)	0.13	0.12	8.33%
Weighted average ROE (%)	3.04%	3.30%	-0.26%
	End of the report period	End of the previous year	Increase/decrease at the end of the report period over the end of the previous year
Total assets (RMB)	25,637,078,162	25,904,013,306	-1.03%
Net assets attributable to shareholders of the listed company (RMB)	13,249,455,886	12,854,883,706	3.07%

## (II) Item and amount of non-recurring gains and losses

Applicable  Not applicable

Unit: RMB

Item	Amount in the report period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	164,780	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	23,460,674	
In addition to the effective hedging business related to the normal business of the company, the profit and loss from changes in fair value arising from holding trading financial assets and trading financial liabilities, as well as the investment income obtained from the disposal of trading financial assets, trading financial liabilities and available for sale financial assets	756,383	
Reversal of provision for impairment of receivables that have been individually tested for impairment	680,240	
Other non-operating income and expenditure except for the aforementioned items	7,104,485	
Less: Impact on income tax	4,724,159	
Impact on minority shareholders' equity (post-tax)	278,068	
Total	27,164,335	

Particulars about other gains and losses that meet the definition of non-recurring gains and losses:

Applicable  Not applicable

It did not exist that other profit and loss items met the definition of non-recurring gains and losses.

Explanation of the non-recurring gains and losses listed in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public - Non-recurring Gains and Losses as recurring gains and losses

Applicable  Not applicable

It did not exist that 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" were defined as recurring profit and loss items in the report period.

### (III) Statement of change in the major accounting data and financial indicators and the causes

√Applicable □ Not applicable

Unit: RMB

Item of the Balance Sheet	Note	March 31, 2023	December 31, 2022	Percentage of change
Monetary funds	(1)	2,214,555,137	4,604,607,779	-52%
Notes receivable	(2)	541,411,494	156,943,437	245%
Accounts receivable	(3)	1,696,421,712	1,179,992,784	44%
Non-current assets due within one year	(4)	40,000,000	20,000,000	100%
Other current assets	(5)	188,123,840	108,248,545	74%
Construction In Progress	(6)	1,656,976,274	2,520,362,291	-34%
Long-term Deferred Expense	(7)	5,860,172	2,647,939	121%
Other non-current assets	(8)	1,391,600,313	856,620,485	62%
Short-term borrowings	(9)	475,796,035	345,000,000	38%
Employee benefits payable	(10)	252,299,141	473,616,428	-47%
Non-current liabilities due within one year	(11)	621,683,133	2,481,433,006	-75%
Special reserve	(12)	2,123,340	731,580	190%
Item of Income Statement	Note	Amount incurred in the report period	Amount incurred in the previous period	Percentage of change
Business income	(13)	4,070,673,784	2,785,709,687	46%
Business cost	(14)	3,165,542,052	1,996,135,271	59%
Research and development expenses	(15)	161,274,469	111,661,597	44%
Other income	(16)	24,951,873	48,350,708	-48%
Investment income	(17)	756,383	8,493,186	-91%
Credit impairment loss	(18)	-9,860,184	-4,406,594	124%
Asset impairment loss	(19)		1,456	-100%
Income on disposal assets	(20)	164,780	3,067,343	-95%
non-operating income	(21)	7,959,666	1,658,098	380%
non-operating expenses	(22)	378,246	2,619,997	-86%
Minor shareholders' equity	(23)	-3,946,731	3,976,590	-199%
Net after-tax amount of other comprehensive income	(24)	-3,225,667	-539,838	498%

Notes:

1. The decrease in monetary funds was mainly due to the redemption of matured corporate bonds;
2. The increase in notes receivable was mainly due to an increase in pledged invoicing of notes receivable;
3. The increase in accounts receivable was mainly due to the increase in sales revenue of photovoltaic glass;
4. The increase in non-current assets due within one year was due to the fact that some large certificates of deposit would expire within one year;
5. The increase of other current assets was mainly due to the increase of input tax to be deducted by some subsidiaries;
6. The decrease in construction in progress was mainly due to the transfer of completed projects under construction to fixed assets of some subsidiaries;
7. The increase in long-term deferred expenses was mainly due to an increase in amortization items;

8. The increase of other non-current assets was mainly caused by the increase of advance payment for engineering equipment of subsidiaries;
9. The increase in short-term borrowings was mainly caused by the increase in borrowings of subsidiaries;
10. The decrease in employee compensation payable was mainly due to the payment of year-end bonuses for employees accrued in the previous year during the report period;
11. The decrease in non-current liabilities due within one year was mainly due to the redemption of matured corporate bonds;
12. The increase in special reserves was mainly due to the provision of special reserves;
13. The increase in operating income was mainly due to the increase in silicon materials and photovoltaic glass business;
14. The increase in operating costs was mainly due to the increase in silicon materials and photovoltaic glass business;
15. The increase in research and development expenses was mainly due to the increase in research and development;
16. The decrease in other income was mainly due to the decrease in amortization of deferred income of subsidiaries;
17. The decrease in investment returns was mainly due to a decrease in structural deposit returns;
18. The increase in credit impairment losses was mainly due to an increase in accounts receivable for photovoltaic glass;
19. The change in asset impairment loss was mainly due to the fact that it did not occur in the current period and the amount of the previous period was relatively small;
20. The decrease in asset disposal income was mainly due to the relatively small amount of asset disposal in the current period;
21. The increase in non-operating income was mainly due to an increase in insurance claims and payments that cannot be paid;
22. The decrease in non-operating expenses was mainly due to compensation expenses and other decreases;
23. The decrease in minority shareholder gains and losses was mainly due to a decrease in net profit of non wholly-owned subsidiaries;
24. The increase in the net amount of other comprehensive income after tax was mainly due to changes in the translation differences in foreign currency statements.

## II. Information of shareholders

### (I) The total number of common shareholders and the number of preference shareholders with voting rights recovered as well as the top ten shareholders

Unit: Share

Total common shareholders at the end of the report period	164,653	The total number of preference shareholders with voting rights recovered at end of report period (if applicable)	0			
Particulars about the shares held by the top ten shareholders						
Name of shareholder	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged, marked or frozen	
					Share status	Amount
Foresea Life Insurance Co., Ltd. – HailiNiannian	Domestic non state-owned legal person	15.19%	466,386,874			
Foresea Life Insurance Co., Ltd. – Universal Insurance Products	Domestic non state-owned legal person	3.86%	118,425,007			
Foresea Life Insurance Co., Ltd. – Own Fund	Domestic non state-owned legal person	2.11%	64,765,161			
China Galaxy International Securities (Hong Kong) Co., Limited	Foreign legal person	1.34%	41,034,578			
China Merchants Securities (Hong Kong)	Foreign legal person	1.12%	34,378,997			

Limited						
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 0051-ct001 Shen	Other	0.96%	29,385,159			
Hong Kong Securities Clearing Co., Ltd.	Foreign legal person	0.81%	24,797,228			
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign legal person	0.64%	19,595,573			
Zhongshan Runtian Investment Co., Ltd.	Domestic non state-owned legal person	0.62%	18,983,447		Pledged	18,980,000
					Marked	18,980,000
					Frozen	3,447
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Foreign legal person	0.57%	17,537,213			
Particulars about the top ten shareholders with unrestricted shares held						
Name of shareholder	Amount of unrestricted shares held	Type of shares		Type	Amount	
Foresea Life Insurance Co., Ltd. – HailiNiannian	466,386,874	RMB ordinary shares			466,386,874	
Foresea Life Insurance Co., Ltd. – Universal Insurance Products	118,425,007	RMB ordinary shares			118,425,007	
Foresea Life Insurance Co., Ltd. – Own Fund	64,765,161	RMB ordinary shares			64,765,161	
China Galaxy International Securities (Hong Kong) Co., Limited	41,034,578	Domestically listed foreign shares			41,034,578	
China Merchants Securities (Hong Kong) Limited	34,378,997	Domestically listed foreign shares			34,378,997	
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 0051-ct001 Shen	29,385,159	RMB ordinary shares			29,385,159	
Hong Kong Securities Clearing Co., Ltd.	24,797,228	RMB ordinary shares			24,797,228	
VANGUARD EMERGING MARKETS STOCK INDEX FUND	19,595,573	Domestically listed foreign shares			19,595,573	
Zhongshan Runtian Investment Co., Ltd.	18,983,447	RMB ordinary shares			18,983,447	
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	17,537,213	Domestically listed foreign shares			17,537,213	
Statement on associated relationship or consistent action among the above shareholders:	As of the end of the report period, among shareholders as listed above, Foresea Life Insurance Co., Ltd.-HailiNiannian, Foresea Life Insurance Co., Ltd.-Universal Insurance Products, Foresea Life Insurance Co., Ltd.-Own Fund are all held by Foresea Life Insurance Co., Ltd. Shenzhen Jushenghua Co., Ltd., which holds 51% equity of Foresea Life Insurance Co., Ltd., holds 100% equity of Zhongshan Runtian Investment Co.,Ltd and Chengtai Group Co. Ltd., through Shenzhen Hualitong Investment Co., Ltd. Chengtai Group Co., Ltd. holds 40,187,904 shares through China Galaxy International Securities (Hong Kong) Co., Limited.					
Explanation on the top ten shareholders which involving margin business (if applicable)	N/A					

Special note: On July 11, 2022, at the Company's Second Extraordinary General Meeting in 2022, Foresea Life Insurance Co., Ltd. voted in favor of all proposals, and Zhongshan Runtian Investment Co., Ltd. voted against all proposals, Chengtai Group Co., Ltd. voted against all the proposals with the shares held by China Galaxy International Securities (Hong Kong) Co., Limited; on August 3, 2022, at the Company's Third Extraordinary General Meeting in 2022, Foresea Life Insurance Co., Ltd. voted in favor of all proposals, and Zhongshan Runtian Investment Co., Ltd. voted against all proposals.

## **(II) The total number of preference shareholders of the company and particulars about the top ten preference shareholders**

Applicable  Not applicable

## **III. Statement on other important matters**

Applicable  Not applicable

### **1. Public issuance of corporate bonds**

On March 2, 2017, the 2nd Extraordinary General Meeting of Shareholders in 2017 reviewed and approved “the Proposal on the Public Issuance of Corporate Bonds for Qualified Investors”. On February 27, 2019, the First Extraordinary General Meeting of Shareholders in 2019 The “Proposal on Extending the Validity Period of the Shareholders' Meeting for the Public Offering of Corporate Bonds to Qualified Investors” agreed to issue corporate bonds with a total issue of no more than RMB 2 billion and a term of no more than 10 years. On June 26, 2019, the Company received the “Approval of Approving CSG Holding Co., Ltd. to Issue Corporate Bonds to Qualified Investors” issued by China Securities Regulatory Commission (ZJXK [2019] No. 1140). On March 24, 2020 and March 25, 2020, the Company issued the first batch of corporate bonds with total amount of RMB 2 billion and valid term of 3 years at the issuance rate of 6%, and completed the redemption and delisting on March 27, 2023 (the original redemption date for this bond was March 25, 2023, but due to a statutory rest day, it was postponed to the first trading day thereafter).

### **2. Guarantee situation**

The 2021 Annual General Meeting of the Company reviewed and passed the Proposal for the 2022 Guarantee Plan, and agreed to provide a total amount of not exceeding RMB16,268 million (including the effective and unexpired amount) for the 2022 credit line from financial institutions to subsidiaries at all levels within the scope of consolidated statements (hereinafter referred to as “all subsidiaries”). Among them, the total amount of guarantee for all subsidiaries with an asset-liability ratio below 70% shall not exceed the equivalent amount of RMB15,018 million (including the effective and unexpired amount), and the total amount of guarantee for all subsidiaries with an asset-liability ratio of 70% or above shall not exceed the equivalent amount of RMB1,250 million (including the effective and unexpired amount). The Company’s external guarantees are all provided for subsidiaries within the scope of consolidated statement. As of March 31, 2023, the actual guarantee balance incurred was RMB 4674.94 million (including RMB 291.24 million for companies with an asset liability ratio of 70% or above), accounting for 36.37% of the net assets attributable to the parent company at the end of 2022 of RMB 12854.88 million and 18.05% of the total assets of RMB 2590.41 million. The company has no overdue guarantees.

The Company’s 2021 Annual General Meeting reviewed and passed the Proposal on the Development of Asset Pool Business in 2022. In order to achieve the overall management of the Company’s assets such as bills and letters of credit, the General Meeting of Shareholders approved the Company and its subsidiaries to conduct asset pool business of no more than RMB800 million.

Under the premise of controllable risks, various guarantee methods such as maximum pledge, general pledge, deposit certificate pledge, bill pledge, and margin pledge can be adopted for business development. As of March 31, 2023, the actual pledged amount of asset pool business was 542.2131 million yuan, and the financing balance was 542.0604 million yuan.

### 3. Public issuance of A-share convertible corporate bonds

On July 11, 2022, the Company's 2nd Extraordinary General Meeting of Shareholders in 2022 reviewed and approved relevant proposals on the Company's public issuance of A-share convertible corporate bonds, and agreed to issue A-share convertible corporate bonds. The total amount of funds raised would not exceed RMB 2,800,000,000 (including RMB 2,800,000,000), with a term of 6 years from the date of issuance.

### 4. Passive reduction of Southern Glass A shares held by Zhongshan Runtian Investment Co., Ltd.

On July 12, 2022, the Company received the "Notice Letter" from Chongqing Xinyu Financial Leasing Co., Ltd. (hereinafter referred to as "Chongqing Xinyu"). According to the "Notice Letter", the Shenzhen Intermediate Court ruled to sell 67.65 million "Southern Glass A" shares (stock code: 000012) held by Zhongshan Runtian Investment Co., Ltd. (hereinafter referred to as "Zhongshan Runtian"). On July 27 and July 28, 2022, Chongqing Xinyu forcibly sold 36.5289 million shares of Southern Glass A held by Zhongshan Runtian through Block trade, accounting for 1.19% of the Company's total share capital. On December 8, 2022, the Company received a letter from shareholder Zhongshan Runtian regarding the reduction of shares. It was learned that Zhongshan Runtian's "Southern Glass A" shares had accumulated a reduction of 31.1211 million shares from July 29, 2022 to December 7, 2022, accounting for 1.01% of the Company's total share capital. After the passive reduction of the aforementioned shares, the number of shares held by Zhongshan Runtian decreased from 86,633,447 shares to 18,983,447 shares, and the shareholding ratio decreased from 2.82% to 0.62%.

### 5. Lawsuits

(1) Regarding the special fund of RMB 171 million for talent introduction, the Company filed an infringement compensation lawsuit against Zeng Nan and others and Yichang Hongtai Real Estate Co., Ltd. on December 15, 2021, and Shenzhen Intermediate People's Court officially accepted it on January 28, 2022. The first trial of the case was completed in Shenzhen Intermediate People's Court on June 21, 2022, and is currently awaiting judgment.

(2) In September 2022, the Company received a civil lawsuit from the Nanshan District People's Court in Shenzhen. Zhongshan Runtian Investment Co., Ltd. filed a lawsuit with the court regarding the dispute over the effectiveness of the resolution of the Company's Second Extraordinary Shareholders' Meeting in 2022. For specific details, please refer to the "Announcement on Lawsuit Involved by the Company" (Announcement No. 2022-056) disclosed by the Company on CNINFO. The first trial of the case was held on February 10, 2023 in the Nanshan District Court of Shenzhen and is awaiting judgment.

### 6. Shenzhen Guanlong Logistics Co., Ltd.'s increases its shareholding in Southern Glass A

The Company received a notification letter from Shenzhen Guanlong Logistics Co., Ltd. (hereinafter referred to as "Guanlong Logistics") from March 19, 2023 to March 21, 2023. It was learned that on March 17, 2023, Guanlong Logistics increased its holdings of 160,000 shares of the Company through centralized bidding through the securities trading system of Shenzhen Stock Exchange, accounting for 0.0052% of the total share capital of the Company. At the same time, Guanlong Logistics plans to increase its holdings of the Company's unrestricted A-shares within six months after three trading days from the disclosure date of the increase plan by means of centralized bidding or block trade through the trading system of Shenzhen Stock Exchange, with the proportion of increase not less than 5% of the Company's total capital stock and not more than 6.26% of the Company's total capital stock. On the evening of March 22, 2023, the Company disclosed the "Announcement on Shareholders' Increase of Company Shares and Subsequent Increase Plan" (Announcement No. 2023-006).

## IV. Quarterly financial statements

### (I) Financial statements

#### 1. Consolidated Balance Sheet

Prepared by CSG Holding Co., Ltd.

March 31, 2023

Unit: RMB

Item	Ending balance	Opening balance
<b>Current asset:</b>		
Monetary Fund	2,214,555,137	4,604,607,779
Notes receivable	541,411,494	156,943,437
Accounts receivable	1,696,421,712	1,179,992,784
Receivables financing	916,276,417	1,095,412,643
Prepayments	210,842,851	183,629,823
Other receivables	186,479,334	193,847,322
Inventories	2,042,154,149	1,783,941,982
Non-current assets due within one year	40,000,000	20,000,000
Other current assets	188,123,840	108,248,545
<b>Total current assets</b>	<b>8,036,264,934</b>	<b>9,326,624,315</b>
<b>Non-current assets:</b>		
Investment real estate	290,368,105	290,368,105
Fixed assets	12,548,990,547	11,243,236,175
Construction in progress	1,656,976,274	2,520,362,291
Right-of-use asset	9,748,177	9,908,413
Intangible assets	1,475,500,214	1,438,102,666
Development expenditure	51,791,445	46,755,816
Goodwill	8,593,352	7,897,352
Long-term prepaid expenses	5,860,172	2,647,939
Deferred tax assets	161,384,629	161,489,749
Other non-current assets	1,391,600,313	856,620,485
<b>Total non-current assets</b>	<b>17,600,813,228</b>	<b>16,577,388,991</b>
<b>Total assets</b>	<b>25,637,078,162</b>	<b>25,904,013,306</b>
<b>Current liabilities:</b>		
Short-term borrowings	475,796,035	345,000,000
Notes payable	1,222,172,076	994,557,496
Accounts payable	2,443,169,032	2,033,542,627
Contract liability	357,825,101	418,051,975
Employee benefits payable	252,299,141	473,616,428
Taxes payable	178,935,981	161,134,638
Other payables	446,054,915	537,065,184
Incl.: Interest payable	10,028,889	99,945,325
Non-current liabilities due within one year	621,683,133	2,481,433,006
Other current liabilities	43,680,585	50,407,240
<b>Total current liabilities</b>	<b>6,041,615,999</b>	<b>7,494,808,594</b>
<b>Non-current liabilities:</b>		

Long-term borrowings	5,184,512,865	4,353,589,980
Lease liabilities	3,606,656	3,564,330
Long-term accounts payable	107,669,051	129,236,878
Deferred income	436,619,775	449,875,380
Deferred income tax liabilities	96,757,064	97,266,841
Total non-current liabilities	5,829,165,411	5,033,533,409
Total Liabilities	11,870,781,410	12,528,342,003
Owners' equity:		
Share capital	3,070,692,107	3,070,692,107
Capital reserve	596,997,085	596,997,085
Other comprehensive income	167,634,811	170,860,478
Special reserves	2,123,340	731,580
Surplus reserve	1,228,634,001	1,228,634,001
Undistributed profits	8,183,374,542	7,786,968,455
Total owner's equity attributable to the parent company	13,249,455,886	12,854,883,706
Minority shareholders' equity	516,840,866	520,787,597
Total owner's equity	13,766,296,752	13,375,671,303
Total Liabilities and Owner's Equity	25,637,078,162	25,904,013,306

Legal Representative: Chen Lin, Responsible person in charge of the accounting: Wang Wenxin, Principal of the financial department: Wang Wenxin

## 2. Consolidated Income Statement

Unit: RMB

Item	Amount incurred in the report period	Amount incurred in the previous period
I. Total operating revenue	4,070,673,784	2,785,709,687
Incl. :Business income	4,070,673,784	2,785,709,687
II. Total business cost	3,635,165,242	2,385,993,949
Incl.: Business cost	3,165,542,052	1,996,135,271
Taxes and surcharges	36,882,571	29,430,897
Sales expense	74,847,114	62,182,177
Management costs	160,804,139	155,690,153
Research and development expenses	161,274,469	111,661,597
Financial expenses	35,814,897	30,893,854
Incl. : Interest expense	65,810,690	43,766,699
Interest income	30,647,150	14,681,526
Plus: Other income	24,951,873	48,350,708
Investment income ("-" for loss)	756,383	8,493,186
Credit impairment loss ("-" for loss)	-9,860,184	-4,406,594
Asset impairment loss ("-" for loss)		1,456
Income on disposal assets ("-" for loss)	164,780	3,067,343
III. Operational profit ("-" for loss)	451,521,394	455,221,837
Plus: non-operating income	7,959,666	1,658,098
Less: non-operating expenses	378,246	2,619,997
IV. Gross profit ("-" for loss)	459,102,814	454,259,938
Less: Income tax expenses	66,643,458	66,600,517
V. Net profit ("-" for net loss)	392,459,356	387,659,421

(I) Classification by business continuity		
1. Net profit from continuous operation(“-” for net loss)	392,459,356	387,659,421
(II) Classification by ownership		
1. Net profit attributable to the owner of the parent company	396,406,087	383,682,831
2. Minor shareholders' equity	-3,946,731	3,976,590
VI. Net after-tax amount of other comprehensive income	-3,225,667	-539,838
Net after-tax amount of other comprehensive income attributable to the owner of the parent company	-3,225,667	-539,838
(I) Other comprehensive income that will be reclassified into profit or loss	-3,225,667	-539,838
1. Foreign-currency financial statement translation difference	-3,225,667	-539,838
VII. Total comprehensive income	389,233,689	387,119,583
Total comprehensive income attributable to owners of the Company	393,180,420	383,142,993
Total comprehensive income attributable to minority shareholders	-3,946,731	3,976,590
VIII. Earnings per share		
(I) Basic earnings per share	0.13	0.12
(II) Diluted earnings per share	0.13	0.12

Legal Representative: Chen Lin, Responsible person in charge of the accounting: Wang Wenxin, Principal of the financial department: Wang Wenxin

### 3. Consolidated Cash Flow Statement

Unit: RMB

Item	Amount incurred in the report period	Amount incurred in the previous period
I. Net cash flow from business operation:		
Cash received from sales of products and providing of services	2,801,852,650	2,975,194,851
Refunds of taxes	34,104,292	6,174,213
Received other cash related to business activities	60,831,544	45,200,715
Subtotal of cash inflow from operating activities	2,896,788,486	3,026,569,779
Cash paid for the purchase of goods and services	2,100,360,348	1,997,455,533
Cash paid to and for employees	702,164,873	592,412,995
Payments of all types of taxes	256,715,266	232,790,434
Payment of other cash related to business activities	121,955,178	101,853,755
Subtotal of cash outflow from operating activities	3,181,195,665	2,924,512,717
Net cash flow from operating activities	-284,407,179	102,057,062
II. Cash flows from investing activities:		
Cash received from returns on investment	20,000,000	1,149,600,000
Cash received from returns on investment income	399,611	8,095,668
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	65,450	978,036
Cash received relating to other investing activities	37,892,400	
Subtotal of cash inflows from investment activities	58,357,461	1,158,673,704
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	1,073,365,254	784,088,536
Cash paid for investment		1,148,160,000
Cash paid relating to other investing activities	696,000	

Subtotal of cash outflows from investing activities		5,319,802
Net cash flows from investing activities	1,074,061,254	1,937,568,338
III. Cash flow from financing activities:	-1,015,703,793	-778,894,634
Cash received from the loan		
Other financing-related cash received	1,126,732,597	489,156,004
Subtotal of cash inflows from financing activities	1,126,732,597	489,156,004
Cash paid for debt repayment	2,025,923,666	100,000,000
Cash paid for dividends, profits or interest payments	168,432,518	144,617,231
Payment of other cash related to financing activities	23,054,274	23,817,019
Subtotal of cash outflows from financing activities	2,217,410,458	268,434,250
Net cash flow from financing activities	-1,090,677,861	220,721,754
IV. Influence of exchange rate alternation on cash and cash equivalents	-2,330,424	68,620
V. Net increase in cash and cash equivalents	-2,393,119,257	-456,047,198
Plus: Balance of cash and cash equivalents at the beginning of term	4,594,018,251	2,756,477,572
VI. Balance of cash and cash equivalents at the end of term	2,200,898,994	2,300,430,374

Legal Representative: Chen Lin, Responsible person in charge of the accounting: Wang Wenxin, Principal of the financial department: Wang Wenxin

## (II) Report of the Auditors

Whether the First Quarter Report has been audited or not

Yes  No

The First Quarter Report hasn't been audited.

Board of Directors of  
CSG Holding Co., Ltd.  
26 April 2023