

Stock Code: 301330

Abbreviation of Securities: ZKTECO

Announcement No.: 2024-047

ZKTECO CO., LTD.
2024 3rd Quarter Report

The Company and all members of the Board of Directors guarantee that the information disclosed is true, accurate and complete, without any false records, misleading statements or material omissions.

Important content tips:

1. The Board of Directors, the Board of Supervisors, directors, supervisors, and senior management guarantee that the information presented in this report is true, accurate and complete without any false records, misleading statements or material omissions, and will undertake individual and joint legal liabilities.

2. The Company's legal representative, the person in charge of the accounting work, and the person in charge of accounting institution (accounting supervisor) hereby declare that the financial information in this report is true, accuracy and complete.

3. Whether the 3rd quarter report has been audited

Yes No

I. Key Financial Data

(I) Main Accounting Data and Financial Indicators

Whether the Company performed a retroactive adjustment or restatement of the previous accounting data

Yes No

	Current reporting period	YoY change during the reporting period	From the beginning of 2024 to the end of the reporting period	Increase/decrease in this reporting period compared to the same period last year
Operating income (RMB)	507,796,993.98	0.99%	1,410,900,152.75	-2.02%
Net profit attributable to shareholders of listed companies (RMB)	42,040,658.61	-15.73%	120,678,385.94	-12.96%
Net profit attributable to shareholders of listed companies after deducting non-recurring profits and losses (RMB)	38,795,453.63	-22.60%	105,967,658.69	-26.72%
Net cash flows from operating activities (RMB)	--	--	136,138,600.04	-25.73%
Basic earnings per share (RMB/share)	0.2184	4.00%	0.6254	-12.92%
Diluted earnings per share (RMB/share)	0.2182	4.05%	0.6218	-12.93%
Weighted average return on net assets	1.30%	-0.28%	3.71%	-0.73%
	At the end of this reporting period	At the end of the previous year	Increase or decrease at the end of this reporting period compared to the end of the previous year	
Total assets (RMB)	3,841,374,527.18	3,923,900,732.70	-2.10%	
Owner's equity attributable to shareholders of the listed company (RMB)	3,255,415,344.68	3,265,413,589.20	-0.31%	

(II) Items and Amounts of Non-recurring Gains and Losses

Applicable Not applicable

Unit: RMB

Item	Amount during this reporting period	Amount from the beginning of 2024 to the end of the reporting period	Remarks
Losses and gains from disposal of non-current assets (including the offsetting portion of the provision for asset impairment)	-400,990.50	-544,946.06	

Government subsidies included in current profits and losses (except those closely related to the normal business of the Company, which are in line with national policies and regulations, enjoyed according to determined standards, and have a continuous impact on the Company's profits and losses)	849,656.13	5,880,119.01	
Profits and losses from fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises, as well as the gains and losses arising from the disposal of financial assets and financial liabilities except for effective hedging business related to the normal operation of the Company	5,310,789.65	11,416,299.65	Mainly due to investment income and fair value changes generated by financial products
Capital occupancy fees charged to non-financial enterprises included in current profits and losses	10,688.36	31,883.47	
Reversal of the provision on receivables with impairment test conducted on an individual basis	70,000.00	240,000.00	
Other non-operating income and expenses other than the above items	-2,668,740.04	-1,200,608.90	
Less: income tax impact	-83,891.73	1,194,233.30	
Minority interest impact (after tax)	10,090.35	-82,213.38	
Total	3,245,204.98	14,710,727.25	--

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

Applicable Not applicable

The Company does not have other specific conditions of profit and loss items that meet the definition of non-recurring profit and loss.

Explanations on classifying any non-recurring gain/loss item mentioned in the "Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No. 1 - Non-recurring Gains and Losses" as recurring Gain/loss item.

Applicable Not applicable

The Company does not classify any non-recurring gain/loss item mentioned in the "Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No. 1 - Non-recurring Gains and Losses" as recurring gain/loss item.

(III) Changes and Reasons for Changes in Key Accounting Data and Financial Indicators

Applicable Not applicable

Unit: RMB

Balance Sheet Items	September 30, 2024	January 1, 2024	Change ratio	Reasons
Monetary funds	1,115,899,129.93	1,990,924,954.78	-43.95%	Mainly due to the purchase of financial products, investment expenses for construction projects, implementation of share repurchases, and distribution of profits (cash dividends) from the previous year in current period
Trading financial assets	764,033,931.90	80,980,203.63	843.48%	Mainly due to the increase in wealth management products such as structured deposits in the current period

Debt investment	14,375,737.01	42,284,596.90	-66.00%	Mainly due to the transfer of large-denomination certificates of deposit from banks at the end of the previous period to non-current assets due within one year
Construction in progress	242,871,320.17	138,986,483.73	74.74%	Mainly due to the construction project of the Multimodal Biometrics Digitalization Industrial Base Construction Project and the new investment in the construction of the Thai factory in this period
Intangible assets	89,949,940.34	66,016,371.68	36.25%	Mainly due to the carry-over of the SAP system in the current period when it reaches the usable state
Lease liabilities	30,799,092.84	19,713,286.21	56.24%	Mainly due to the addition and renewal of office leases in the current period
Accounts payable	154,868,304.31	245,084,182.32	-36.81%	Mainly due to the decrease in the purchase amount and the decrease in the construction payment payable in the current period
Treasury stock	59,683,228.10	784,700.00	7,505.87%	Mainly due to the implementation of share repurchase in the current period
Income Statement Items	January - September 2024	January - September 2023	Change ratio	Reasons
Financial expenses	-13,892,864.00	-44,978,271.11	69.11%	Mainly due to a decrease in interest income and an increase in exchange losses for the current period (compared to exchange gains in the same period last year)
Investment income	4,917,886.48	-1,725,758.54	384.97%	Mainly due to the increase in the income recognized after the expiration of the purchased wealth management products during the reporting period, and the investment losses recognized after the expiration of some forward foreign exchange contracts purchased due to hedging the risk of exchange rate fluctuations in the same period last year
Gains from changes in fair value	8,190,593.67	-1,955,731.23	518.80%	Mainly due to the increase in the income generated during the holding period of the purchased wealth management products during the reporting period, and the loss incurred during the holding period of some forward foreign exchange contracts purchased due to hedging the risk of exchange rate fluctuations in the same period of the previous year
Losses from impairment of assets	-5,994,941.10	-3,428,778.18	74.84%	Mainly due to the increase in the provision for falling prices of inventories during the reporting period
Income tax expenses	8,111,368.11	16,266,701.41	-50.14%	Mainly due to the write-off of bad debts in the current period and the decrease in the total profits of some subsidiaries, resulting in a decrease in income tax in the current period
Cash Flow Statement Items	January - September 2024	January - September 2023	Change ratio	Reasons
Net cash flows from operating activities	136,138,600.04	183,302,835.87	25.73%	Mainly due to the increase in cash payments for goods purchased and labor services received in

				the current period, as well as the increase in taxes and fees paid in the current period
Net cash flows from investing activities	-451,646,981.53	-182,299,863.94	-147.75%	Mainly due to the payment for the construction project of the Multimodal Biometrics Digitalization Industrial Base Construction Project, the construction of the Thai factory, and the purchase expense of real estate (employee dormitories) in the current period, as well as the increase in financial management purchases in the current period
Net cash flows from financing activities	-181,047,518.00	-86,869,563.26	-108.41%	Mainly due to the increase in the distribution of cash dividends and payment of share repurchase expenses in the current period
Net increase in cash and cash equivalents	-501,361,903.62	-83,173,247.43	-502.79%	Mainly due to a decrease in net cash flow from investing activities and financing activities in the current period

II. Shareholder Information

(I) Table of the Total Number of Common Shareholders and the Number of Preferred Shareholders with Resumed Voting Rights and Information about Top Ten Shareholders

Unit: share

Total number of common shareholders at the end of the reporting period		18,942	Total number of preferred shareholders whose voting rights have been recovered at the end of the reporting period (if any)		0	
Particulars about the top 10 shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Number of shares with trading restrictions	Pledged, marked or frozen	
					Share status	Amount
Shenzhen ZKTeco Times Investment Co., Ltd.	Domestic non state-owned legal persons	30.05%	58,500,000	58,500,000	Not applicable	0
Che Quanhong	Domestic individual	17.48%	34,022,300	34,022,300	Not applicable	0
Shenzhen JYSJ Investment Enterprise (Limited Partnership)	Domestic non state-owned legal persons	7.21%	14,038,400	7,053,800	Not applicable	0
Shenzhen JYHY Investment Enterprise (Limited Partnership)	Domestic non state-owned legal persons	7.13%	13,874,950	6,960,524	Not applicable	0
Dongguan LX Investment Partnership Enterprise (Limited Partnership)	Domestic non state-owned legal persons	5.08%	9,880,000	9,880,000	Not applicable	0
Shenzhen JYLX Consulting Enterprise (Limited Partnership)	Domestic non state-owned legal persons	2.30%	4,476,086	2,374,190	Not applicable	0
Shenzhen JYQL Investment Consulting Enterprise (Limited Partnership)	Domestic non state-owned legal persons	0.78%	1,521,100	881,400	Not applicable	0
Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No.1 Private Equity Fund	others	0.35%	688,580	0	Not applicable	0
Shenzhen Fuhai Juanyong I Venture Investment Fund (Limited Partnership)	Domestic non state-owned legal persons	0.34%	666,138	0	Not applicable	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	0.34%	655,954	0	Not applicable	0
Particulars about the top 10 shareholders not subject to trading restrictions (excluding shares lent through refinancing and executive lockup shares)						
Name of shareholder	Number of shares without trading restrictions	Types of shares				
		Type	Number			
Shenzhen JYSJ Investment Enterprise (Limited Partnership)	6,984,600	RMB denominated ordinary shares	6,984,600			

Shenzhen JYHY Investment Enterprise (Limited Partnership)	6,914,426	RMB denominated ordinary shares	6,914,426
Shenzhen JYLX Consulting Enterprise (Limited Partnership)	2,101,896	RMB denominated ordinary shares	2,101,896
Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No.1 Private Equity Fund	688,580	RMB denominated ordinary shares	688,580
Shenzhen Fuhai Juanyong I Venture Investment Fund (Limited Partnership)	666,138	RMB denominated ordinary shares	666,138
Hong Kong Securities Clearing Company Limited	655,954	RMB denominated ordinary shares	655,954
Shenzhen JYQL Investment Consulting Enterprise (Limited Partnership)	639,700	RMB denominated ordinary shares	639,700
Guangfa Securities Co., Ltd. - Bodao Growth Zhihang Equity Securities Investment Fund	536,550	RMB denominated ordinary shares	536,550
Gu Meijuan	500,000	RMB denominated ordinary shares	500,000
Changjiang Wealth Asset Management - Bank of Nanjing - Changjiang Wealth - ZKTeco Employee Strategic Placement No.1 Collective Asset Management Plan	379,592	RMB denominated ordinary shares	379,592
Explanation on associated relationship and concerted actions among above shareholders	<p>Shareholder Che Quanhong is elder brother of shareholder Che Quanzhong from Shenzhen ZKTeco Times Investment Co., Ltd., and son of Che Jun, partner of Dongguan LX Investment Partnership Enterprise (Limited Partnership).</p> <p>The shareholder Che Quanhong holds 76.02% of the equity of Shenzhen ZKTeco Times Investment Co., Ltd., being the controlling shareholder of Shenzhen ZKTeco Times Investment Co., Ltd. Meanwhile, Che Quanhong holds 1.18% of the property share of shareholder Dongguan LX Investment Partnership Enterprise (Limited Partnership) and 6.57% of the property share of shareholder Shenzhen JYLX Consulting Enterprise (Limited Partnership).</p> <p>Che Quanzhong, the younger brother of shareholder Che Quanhong, holds a 23.98% equity in Shenzhen ZKTeco Times Investment Co., Ltd.</p> <p>Che Jun, the father of shareholder Che Quanhong, holds 98.68% of the property share of Dongguan LX Investment Partnership Enterprise (Limited Partnership).</p> <p>In addition the company does not know whether there is an associated relationship or a concerted action relationship among the other shareholders.</p>		
Information on Top 10 shareholders of participating in margin trading and short selling business (if any)	No		

Note: Special explanations on the existence of repurchased accounts among the top 10 shareholders not subject to trading restrictions

As of September 30, 2024, the Company's repurchased special securities account holds 2,230,000 ordinary shares, accounting for 1.15% of the current total share capital of the Company. As required, it is not included in the list of the top 10 shareholders of the Company. It is hereby clarified.

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of outstanding shares not subject to trading restrictions in the lending of shares through refinancing

Applicable Not applicable

Changes to the top 10 shareholders and the top 10 shareholders of outstanding shares not subject to trading restrictions compared to the previous period due to reasons related to lending/repayment through refinancing

Applicable Not applicable

(II) Total Number of Preferred Shareholders and information about Top 10 Preferred Shareholders

Applicable Not Applicable

(III) Changes in Restricted Shares

Applicable Not applicable

Unit: share

Name of shareholder	Number of restricted shares at the beginning of the period	Number of shares released from trading restrictions in this period	Increase in restricted shares in this period	Number of restricted shares at the end of the period	Reason for restrictions	Date of releasing from trading restrictions
Jin Hairong	5,850			5,850	Executives lock up shares	During the tenure of directors, supervisors and senior executives, 25% of the total number of shares held will be unlocked every year, and the remaining 75% will be automatically locked
Che Quanhong	34,022,300			34,022,300	Restricted shares before IPO	February 17, 2026
Mu Wenting	8,775			8,775	Executives lock up shares	During the tenure of directors, supervisors and senior executives, 25% of the total number of shares held will be unlocked every year, and the remaining 75% will be automatically locked
Fu Zhiqian	5,362			5,362	Executives lock up shares	During the tenure of directors, supervisors and senior executives, 25% of the total number of shares held will be unlocked every year, and the remaining 75% will be automatically locked
Shenzhen ZKTeco Times Investment Co., Ltd.	58,500,000			58,500,000	Restricted shares before IPO	February 17, 2026

Dongguan LX Investment Partnership Enterprise (Limited Partnership)	9,880,000			9,880,000	Restricted shares before IPO	August 17, 2025
Shenzhen JYHY Investment Enterprise (Limited Partnership)	10,440,787	3,480,263		6,960,524	Restricted shares before IPO	One quarter of the shares will be unlocked from August 17, 2023, until all shares are unlocked on August 17, 2026
Shenzhen JYSJ Investment Enterprise (Limited Partnership)	10,580,700	3,526,900		7,053,800	Restricted shares before IPO	One quarter of the shares will be unlocked from August 17, 2023, until all shares are unlocked on August 17, 2026
Shenzhen JYQL Investment Consulting Enterprise (Limited Partnership)	1,322,100	440,700		881,400	Restricted shares before IPO	One quarter of the shares will be unlocked from August 17, 2023, until all shares are unlocked on August 17, 2026
Shenzhen JYLX Consulting Enterprise (Limited Partnership)	3,561,285	1,187,095		2,374,190	Restricted shares before IPO	One quarter of the shares will be unlocked from August 17, 2023, until all shares are unlocked on August 17, 2026
Total	128,327,159	8,634,958	0	119,692,201	--	--

III. Other Important Events

Applicable Not applicable

1. Some of the shares issued before the initial public offering are listed for circulation

The total number of shareholders who have lifted the restricted shares this time is 4, and the number of restricted shares listed and traded is 8,634,958 shares, accounting for 4.4355% of the company's total share capital. The above-mentioned shares will be lifted from sales restrictions and will be listed for circulation on August 19, 2024. For details, please refer to the "Indicative Announcement on the Listing and Circulation of Certain Shares Issued Before the Initial Public Offering" (Announcement No.: 2024-032) disclosed by the company on www.cninfo.com.cn on August 15, 2024.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: ZKTECO CO., LTD.

September 30, 2024

Unit: RMB

Item	September 30, 2024	January 1, 2024
Current assets:		
Monetary funds	1,115,899,129.93	1,990,924,954.78
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Trading financial assets	764,033,931.90	80,980,203.63
Derivative financial assets		
Notes receivable	515,096.30	
Accounts receivable	480,322,527.13	479,803,313.66
Receivable financing		
Prepayments	27,479,118.04	23,457,907.24
Premiums receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contract receivable		
Other receivables	36,271,529.22	32,744,574.20
Including: interest receivable		
Dividends receivable		
Buying back the sale of financial assets		
Inventories	353,269,196.71	372,714,784.31
Including: Data resources		
Contract assets	282,186.31	282,186.31
Held-for-sale assets		
Non-current assets due within one year	28,864,708.11	17,257,614.74
Other current assets	24,882,547.69	25,865,809.28
Total current assets	2,831,819,971.34	3,024,031,348.15
Non-current assets:		
Loans and advances to customers		
Debt investment	14,375,737.01	42,284,596.90
Other debt investment		
Long-term receivables	3,315,367.65	2,447,228.23

Long-term equity investment	28,847,702.47	29,781,888.62
Other equity instrument investments		
Other non-current financial assets		
Investment real estate	21,914,609.79	23,145,488.85
Fixed assets	464,154,116.07	470,121,791.29
Construction in progress	242,871,320.17	138,986,483.73
Productive biological assets		
Oil and gas assets		
Right-of-use assets	50,679,184.46	38,669,718.86
Intangible assets	89,949,940.34	66,016,371.68
Including: Data resources		
Development expenditures		
Including: Data resources		
Goodwill	499,436.88	504,803.72
Long-term deferred expenses	7,450,870.67	3,768,847.81
Deferred income tax assets	81,997,415.29	67,257,559.01
Other non-current assets	3,498,855.04	16,884,605.85
Total non-current assets	1,009,554,555.84	899,869,384.55
Total assets	3,841,374,527.18	3,923,900,732.70
Current liabilities:		
Short-term loan		
Borrowings from the Central Bank		
Borrowings from banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	130,269,063.79	122,573,544.09
Accounts payable	154,868,304.31	245,084,182.32
Advances from customer		
Contract liabilities	77,614,095.66	65,331,106.17
Financial assets sold for repurchase		
Deposit from customers and interbank		
Acting trading securities		
Acting underwriting securities		
Payroll payable	34,466,595.24	56,630,101.98
Taxes and dues payable	20,424,621.97	28,892,229.44
Other payables	46,806,419.79	36,735,314.36
Including: interest payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance accounts receivable		
Liabilities held for sale		
Non-current liabilities due within one year	23,020,192.60	21,094,682.36
Other current liabilities	10,492,065.50	16,463,934.35
Total current liabilities	497,961,358.86	592,805,095.07
Non-current liabilities:		
Reserves for insurance contracts		
Long-term loan	6,964,023.12	7,810,405.04
Bonds payable		
Including: preferred stock		
Perpetual bonds		
Lease liabilities	30,799,092.84	19,713,286.21

Long-term payables		
Long-term payroll payable		
Estimated liabilities		600,000.00
Deferred income	1,719,939.68	1,853,549.62
Deferred income tax liabilities	12,936,336.95	10,329,053.48
Other non-current liabilities		
Total non-current liabilities	52,419,392.59	40,306,294.35
Total liabilities	550,380,751.45	633,111,389.42
Owner's equity:		
Share capital	194,679,508.00	194,679,508.00
Other equity instruments		
Including: preferred stock		
Perpetual bonds		
Capital reserve	2,086,410,770.67	2,075,479,375.13
Less: treasury stock	59,683,228.10	784,700.00
Other comprehensive income	31,893,739.89	28,000,959.19
Special reserve		
Surplus reserves	60,455,422.50	60,455,422.50
General risk reserves		
Undistributed profits	941,659,131.72	907,583,024.38
Total owner's equity attributable to the parent company	3,255,415,344.68	3,265,413,589.20
Minority interests	35,578,431.05	25,375,754.08
Total owner's equity	3,290,993,775.73	3,290,789,343.28
Total liabilities and owner's equity	3,841,374,527.18	3,923,900,732.70

Legal Representative: Jin Hairong. Person in charge of accounting work: Wang Youwu. Person in charge of accounting institution: Fang Li

2. Consolidated income statement

Unit: RMB

Item	2024 Q3	2023 Q3
I. Total operating income	1,410,900,152.75	1,439,983,612.03
Including: operating income	1,410,900,152.75	1,439,983,612.03
Interest income		
Premium earned		
Income from handling charges and commissions		
II. Total operating cost	1,283,744,507.66	1,262,912,308.23
Including: operating cost	712,445,786.52	747,237,863.64
Interest expenses		
Expenses from handling charges and commissions		
Surrender value		
Net payments for insurance claims		
Net provisions for policy reserves		
Policy dividend expenses		
Reinsurance expenses		
Taxes and surcharges	19,112,324.06	14,487,429.74
Selling expenses	322,289,681.26	296,766,809.25
Administrative expenses	80,418,280.82	93,319,512.60

R&D expenses	163,371,299.00	156,078,964.11
Financial expenses	-13,892,864.00	-44,978,271.11
Including: interest expenses	2,939,981.92	2,461,347.10
Interest income	33,268,254.31	45,417,933.63
Plus: other income	11,570,705.16	8,430,892.85
Investment income (loss expressed with "-")	4,917,886.48	-1,725,758.54
Including: investment income in associates and joint ventures	1,598,069.04	1,812,820.04
Gains from derecognition of financial assets measured at amortized cost		
Gains from foreign exchange (loss expressed with "-")		
Gains from net exposure hedging (loss expressed with "-")		
Gains from changes in fair value (loss expressed with "-")	8,190,593.67	-1,955,731.23
Credit impairment loss (loss expressed with "-")	-2,778,896.29	-4,162,381.02
Losses from impairment of assets (loss expressed with "-")	-5,994,941.10	-3,428,778.18
Income from asset disposal (loss expressed with "-")	-145,799.95	-234,164.39
III. Operating profit (loss expressed with "-")	142,915,193.06	173,995,383.29
Plus: non-operating income	2,507,995.03	780,799.31
Less: non-operating expenditure	3,891,679.49	3,823,995.51
IV. Total profit (loss expressed with "-")	141,531,508.60	170,952,187.09
Less: income tax expenses	8,111,368.11	16,266,701.41
V. Net profit (loss expressed with "-")	133,420,140.49	154,685,485.68
(I) Classification by business continuity		
1. Net profit from continuing operations (net loss expressed with "-")	133,420,140.49	154,685,485.68
2. Net profit from discontinued operations (net loss expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with "-")	120,678,385.94	138,643,533.82
2. Minority shareholders' profit and loss (net loss expressed with "-")	12,741,754.55	16,041,951.86
VI. Other comprehensive income - after tax	5,075,837.07	1,168,896.86
Net of tax of other comprehensive income attributable to the owner of the parent company	3,892,780.70	12,303,916.81
Other comprehensive income that cannot be transferred to profit or loss		
1. Changes in re-measurement of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		

3. Changes in fair value of other equity instrument investments		
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	3,892,780.70	12,303,916.81
1. Other comprehensive income that can be transferred to profit or 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. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserve		
6. Translation difference of foreign currency financial statements	3,892,780.70	12,303,916.81
7. Others		
After-tax net amount of other comprehensive income attributable to the minority shareholders	1,183,056.37	-11,135,019.95
VII. Total comprehensive income	138,495,977.56	155,854,382.54
Total comprehensive income attributable to owners of the parent company	124,571,166.64	150,947,450.63
Total comprehensive income attributable to minority shareholders	13,924,810.92	4,906,931.91
VIII. Earnings per share:		
(I) Basic earnings per share	0.6254	0.7182
(II) Diluted earnings per share	0.6218	0.7141

In the event of a merger of enterprise under the same control in the current period, the net profit realized by the combined party before the merger is RMB 0.00, and the net profit realized by the combined party in the previous period is RMB 0.00.

Legal Representative: Jin Hairong Person in charge of accounting work: Wang Youwu Person in charge of accounting institution: Fang Li

3. Consolidated Cash Flow Statement

Unit: RMB

Item	2024 Q3	2023 Q3
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	1,506,119,157.41	1,487,266,012.39
Net increase in deposits from customers and deposits in banks and other financial institutions		
Net increase in borrowings from the Central Bank		
Net increase in borrowings from banks and other financial institutions		
Cash received from receiving insurance premiums of original insurance contracts		

Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interest, handling fees and commissions		
Net increase in borrowings from banks and other financial institutions		
Net capital increase in repurchase business		
Net cash received from vicariously traded securities		
Refund of taxes and surcharges	60,316,610.02	48,522,171.18
Cash received from other operating activities	47,075,742.78	34,026,186.26
Subtotal of cash inflows from operating activities	1,613,511,510.21	1,569,814,369.83
Cash paid for purchase of goods and rendering of services	788,109,062.29	729,304,911.13
Net increase in loans and advances to customers		
Net increase in deposits in Central Bank and other banks and financial institutions		
Cash paid for original insurance contract claims		
Net increase in lendings to banks and other financial institutions		
Cash paid for interest, handling fees and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	425,640,836.80	412,108,352.14
Payments of all types of taxes	70,818,064.05	54,586,811.26
Other cash payments relating to operating activities	192,804,947.03	190,511,459.43
Subtotal of cash outflows from operating activities	1,477,372,910.17	1,386,511,533.96
Net cash flows from operating activities	136,138,600.04	183,302,835.87
II. Cash flows from investing activities:		
Cash received from disinvestment	902,775,551.21	549,376,181.66
Cash received from investment income	5,102,718.06	2,499,098.17
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	64,134.09	343,862.87
Net cash received from disposal of subsidiaries and other business units		
Cash received from other investing activities	68,155.00	
Subtotal of cash inflows from investing activities	908,010,558.36	552,219,142.70
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	156,725,908.68	108,652,539.76
Cash paid for investments	1,202,931,631.21	619,025,771.88
Net increase in pledge loans		

Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities		6,840,695.00
Subtotal of cash outflows from investing activities	1,359,657,539.89	734,519,006.64
Net cash flows from investing activities	-451,646,981.53	-182,299,863.94
III. Cash flows from financing activities:		
Cash received from investors		2,445,378.21
Including: cash received by subsidiaries from the absorption of minority shareholders' investments		2,445,378.21
Cash received from borrowings		8,500,000.00
Cash received from other financing activities	5,255,181.80	
Subtotal of cash inflows from financing activities	5,255,181.80	10,945,378.21
Cash paid for debt repayments	1,089,804.61	224,246.01
Cash paid for distribution of dividends and profits or payment of interest	97,487,401.63	73,168,224.18
Including: dividends and profits paid to minority shareholders by subsidiaries	10,765,313.30	21,116,705.95
Cash paid for other financing activities	87,725,493.56	24,422,471.28
Subtotal of cash outflows from financing activities	186,302,699.80	97,814,941.47
Net cash flows from financing activities	-181,047,518.00	-86,869,563.26
IV. Effect of exchange rate changes on cash and cash equivalents	-4,806,004.13	2,693,343.90
V. Net increase in cash and cash equivalents	-501,361,903.62	-83,173,247.43
Plus: beginning balance of cash and cash equivalents	1,317,020,553.02	1,077,608,258.10
VI. Closing balance of cash and cash equivalents	815,658,649.40	994,435,010.67

(II) Implementation of new accounting standards adjustment for the first time starting from 2024. Relevant project information on financial statements at the beginning of the year

Applicable Not applicable

(III) Audit Report

Whether the 3rd Quarter Report has been audited

Yes No

The Company's Q3 Report has not been audited.

ZKTECO CO., LTD.
Board of Directors
October 30, 2024