

2025 Q1 Report of Zhejiang HangKe Technology Incorporated Company

Important Content Reminder

The Company's Board of Directors, Board of Supervisors, directors, supervisors, and senior managers guarantee that the content of the quarterly report is true, accurate and complete, and that there are no false records, misleading statements or major omissions, and assume individual and joint legal responsibilities.

The person in charge of the Company, the person in charge of accounting and the person in charge of the accounting department (accounting officer) guarantee the authenticity, accuracy and completeness of the financial information in the quarterly report.

Are the first quarter financial statements audited?

☐ Yes ☒ No

I. Main Financial Data

(I) Main accounting data and financial indicators

Item	The current reporting period	The same period last year	Unit: Yuan Currency: RMB
			Change from the beginning of the year to the end of the reporting
Operating Income	680,023,089.55	883,915,482.34	-23.07
Net profit attributable to shareholders of listed companies	115,776,770.77	172,974,407.05	-33.07
Net profit attributable to shareholders of listed companies after deduction of non-recurring gains and losses	116,335,191.08	169,611,457.73	-31.41
Net cash flow from operating activities	29,427,018.52	35,511,369.28	-17.13
Basic earnings per share (Yuan/share)	0.19	0.29	-34.48
Diluted earnings per share	0.19	0.29	-34.48

(Yuan/share)			
Weighted average return on net assets (%)	2.22	3.32	Decrease by 1.1%
Total R&D investment	60,032,256.55	52,538,171.03	14.26
The ratio of R&D investment to operating income (%)	8.83	5.94	Increase by 2.89%
	End of the reporting period	End of last year	Change from the end of the reporting period over the end of the previous year (%)
Total assets	9,696,230,776.32	9,769,475,574.60	-0.75
Ownership equity attributable to shareholders of listed companies	5,239,170,279.78	5,164,798,090.89	1.44

(II) Non-recurring profit or loss and amount

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Non-recurring Profit and Loss Items	Current Amount	Note
Gains and losses on disposal of non-current assets, including the write-off portion of the provision for impairment of the accrued assets	-313,443.81	
Government subsidies included in the current profit and loss, except for government subsidies that are closely related to the Company's normal business operations, comply with national policies and regulations, and are enjoyed in accordance with certain standards or that have a lasting impact on a company's profit or loss		
Gains and losses from changes in the fair value of financial assets and liabilities held by non-financial corporations and gains and losses from the disposal of financial assets and liabilities, except for effective hedging operations related to the Company's normal business operations	337,914.24	
Fund occupancy fees charged to non-financial enterprises included in current profit and loss		
Gains and losses on entrusted investments or management of assets		
Gains and losses on external entrusted loans		
Losses of assets due to force majeure factors such as		

natural disasters		
Reversal of provision for impairment of receivables individually tested for impairment		
Gains between the investment cost of the enterprise to obtain subsidiaries, associates and joint ventures and the income generated by the fair value of the identifiable net assets of the invested unit that should be enjoyed when the investment is obtained		
Net profit or loss of subsidiaries for the period from the beginning of the period to the date of consolidation arising from a business combination under the same control		
Non-monetary asset exchange gains and losses		
Profit and loss from debt restructuring		
One-time costs incurred by the enterprise due to the fact that the relevant business activities are no longer continuing, such as expenses for relocating employees		
One-time effect on current period's profit or loss due to adjustments in tax, accounting and other laws and regulations		
One-time share-based payment expense recognized for cancellation and modification of equity incentive plans		
For cash-settled share-based payments, gains and losses arising from changes in the fair value of employee compensation payable after the date of exercise of options		
Profit and loss arising from changes in the fair value of investment real estate that adopts the fair value model for subsequent measurement		
Profit and loss exceeding the fair value of a transaction whose transaction price is obviously unfair		
Profit and loss arising from contingencies unrelated to the normal business operations of the Company		
Custody fee income from entrusted operations		
Other non-operating income and expenses other than those listed above	-626,554.56	
Other profit and loss items that meet the definition of non-recurring profit and loss		
Less: income tax impact amount	-43,663.82	
Amount affected by minority shareholders' equity (after tax)		
Total	-558,420.31	

For non-recurring profit and loss items not listed in *Interpretative Announcement No. 1 on Information Disclosure of Companies Issuing Public Securities - Non-Recurring Profit and Loss* that the company identifies as such and the amount of which is material, as well as non-recurring profit and loss items listed in *Interpretative Announcement No. 1 on Information Disclosure of Companies Issuing Public Securities - Non-Recurring Profit and Loss* that the company defines

as recurring profit and loss items, the company shall explain the reasons for the definition.

☐Applicable ☒Not Applicable

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

☒Applicable ☐Not Applicable

Item	Change ratio (%)	Main reason
Operating revenue	-23.07	The main reason is the decline in domestic demand for lithium battery expansion in 2024, coupled with extended acceptance cycles, which led to a decrease in operating revenue.
Net profit attributable to shareholders of listed companies	-33.07	The main reason is the year-on-year decrease in operating revenue for the current period, coupled with a decline in gross profit margin from domestic customers due to intensified domestic market competition.
Net profit attributable to shareholders of the listed company, excluding non-recurring gains and losses	-31.41	
Basic earnings per share (RMB per share)	-34.48	The main reason is the year-on-year decrease in net profit for the current period.
Diluted earnings per share (RMB per share)	-34.48	

II. Shareholder Information

(I) Table of the total number of ordinary shareholders, the number of preferred shareholders whose voting rights have been restored, and the shareholdings of the top ten shareholders

Unit: share

Total number of ordinary shareholders at the end of the current reporting period	13,334			Total number of preferred shareholders with voting rights restored at the end of the current reporting period (if any)	0	
Top 10 shareholders (excluding lending of shares through transferring and financing business)						
Shareholder name	Nature of shareholders	Number of shares	Shareholding ratio (%)	Restricted shares held	Number of restricted shares	Pledge, mark or freeze situation

					including shares lent for refinancing	Share status	Share status
Cao Ji	Domestic natural person	262,663,234	43.51	0	0	N.A.	0
Hangzhou Hangke Intelligent Equipment Group Co., Ltd.	Domestic non-state-owned legal person	134,975,968	22.36	0	0	N.A.	0
Bank of Communications Co., Ltd. - HSBC Jintrust Low Carbon Pioneer Stock Securities Investment Fund	Other	11,763,036	1.95	0	0	N.A.	0
Bank of Communications - HSBC Jintrust Dynamic Strategy Hybrid Securities Investment Fund	Other	6,627,708	1.10	0	0	N.A.	0
National Social Security Fund (NSSF) 413	Other	5,190,000	0.86	0	0	N.A.	0
Bank of Communications - HSBC Jintrust Core Growth Hybrid Securities Investment Fund	Other	4,610,449	0.76	0	0	N.A.	0
Agricultural Bank of China Limited - ICBC Credit Innovation Power Equity Fund	Other	4,162,376	0.69	0	0	N.A.	0
Bank of Communications - HSBC Jintrust Smart Manufacturing Pioneer Securities	Other	3,988,055	0.66	0	0	N.A.	0

Investment Fund							
Cao Guanqun	Domestic natural person	3,509,376	0.58	0	0	N.A	0
San Hongyu	Domestic natural person	3,340,656	0.55	0	0	N.A	0
Shareholdings of the top 10 shareholders not subject to sales restrictions (Excluding shares lent through securities lending and borrowing)							
Shareholder name	Tradable shares held	Type and number of shares					
		Type of shares	Type of shares				
Cao Ji	262,663,234	RMB common stock	262,663,234				
Hangzhou Hangke Intelligent Equipment Group Co., Ltd.	134,975,968	RMB common stock	134,975,968				
Bank of Communications Co., Ltd. - HSBC Jintrust Low Carbon Pioneer Stock Securities Investment Fund	11,763,036	RMB common stock	11,763,036				
Bank of Communications - HSBC Jintrust Dynamic Strategy Hybrid Securities Investment Fund	6,627,708	RMB common stock	6,627,708				
National Social Security Fund (NSSF) 413	5,190,000	RMB common stock	5,190,000				
Bank of Communications - HSBC Jintrust Core Growth Hybrid Securities Investment Fund	4,610,449	RMB common stock	4,610,449				
Agricultural Bank of China Limited - ICBC Credit Innovation Power Equity Fund	4,162,376	RMB common stock	4,162,376				

Bank of Communications - HSBC Jintrust Smart Manufacturing Pioneer Securities Investment Fund	3,988,055.00	RMB common stock	3,988,055
Cao Guanqun	3,509,376	RMB common stock	3,509,376
San Hongyu	3,340,656	RMB common stock	3,340,656
Explanation on the related relationship or concerted action of the above-mentioned shareholders	Among the above-mentioned shareholders, Cao Ji is the controlling shareholder and actual controller of the Company. Hangzhou Hangke Smart Equipment Group Co.,Ltd. is an employee shareholding platform controlled by Cao Ji. Cao Ji and Cao Guanqun are shareholders of Hangzhou Hangke Smart Equipment Group Co.,Ltd.. Cao Ji and Cao Guanqun are brothers. Except for the above-mentioned relationship, the Company does not know whether the other shareholders mentioned above have any associated relationship or are persons acting in concert.		
Description of the participation of the top 10 shareholders and the top 10 shareholders with unlimited sales in the financing and securities financing and transferring and financing business(if any)	The number of shares of the company held in the credit securities accounts of the top 10 shareholders and the top 10 unlimited shareholders was 0 shares.		

Shareholders holding more than 5%, the top 10 shareholders and the top 10 shareholders of unlimited tradable

shares participating in the lending of shares in the transfer and financing business

☐Applicable ☒Not Applicable

Unit: share

The top 10 shareholders and the top 10 shareholders with unlimited outstanding shares have changed from the previous period due to the loan/return of the refinancing

☐Applicable ☒Not Applicable

III. Other Reminders

Other important information about the Company's operating conditions during the current reporting period that investors need to be reminded of.

☐Applicable ☒ Not applicable

IV. Quarterly Financial Statement

(I) Type of Audit Opinion

☐Applicable ☒ Not applicable

(II) Financial Statements

Consolidated Balance Sheet

March 31, 2025_

Prepared by: Zhejiang Hangke Technology Incorporated Company

Unit: Yuan Currency: RMB Audit Type: Un-audited

Item	March 31, 2025	December 31, 2024
Current assets:		
Monetary funds	3,076,257,950.50	3,071,813,662.90
Settlement funds		
Lending funds		
Held-for-trading financial assets	3,165,611.28	3,318,338.14
Derivative financial assets		
Notes receivable	85,893,901.59	74,768,516.00
Accounts receivable	1,694,942,653.73	1,814,808,970.22
Receivables financing	54,339,791.50	16,649,074.05
Advances paid	40,275,329.24	37,550,117.90
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance reserve receivable		
Other receivables	66,278,199.65	28,593,110.97
Including: Interest receivable		
Dividend receivable		
Financial assets purchased under agreements to resell		
Inventory	2,872,924,947.36	2,913,112,944.10
Where: data resources		
Contract assets	204,972,159.25	215,231,131.71
Assets held for sale		
Non-current assets due within one year		
Other current assets	33,816,033.06	5,920,050.57
Total current assets	8,132,866,577.16	8,181,765,916.56

Non-current assets:		
Loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment		
Other equity instrument investments		
Other non-current financial assets		
Investment property		
Fixed assets	1,150,365,319.51	1,168,467,242.98
Construction in progress	71,065,376.49	59,296,921.42
Productive biological assets		
Oil and gas assets		
Right-of-use asset		351,259.28
Intangible assets	194,562,745.18	197,060,570.91
Where: data resources		
Development expenditure		
Where: data resources		
Goodwill		
Long-term prepayments	7,442,707.19	7,952,097.02
Deferred tax assets	99,439,795.10	100,807,940.15
Other non-current assets	40,488,255.69	53,773,626.28
Total non-current assets	1,563,364,199.16	1,587,709,658.04
Total assets	9,696,230,776.32	9,769,475,574.60
Current liabilities:		
Short-term borrowings		7,460,020.44
Central bank loans		
Loans from other banks		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	794,675,518.68	871,912,290.66
Accounts payable	930,265,270.54	1,077,903,223.20
Advances received	1,843,092.16	584,600.00
Contract liabilities	2,500,251,323.30	2,441,110,317.38
Funds used to sell and repurchase financial assets		
Absorbing deposit and interbank deposit		
Deposit for agency security transaction		
Deposit for agency security underwriting		
Employee benefits payable	8,379,293.47	31,722,475.94
Taxes and rates payable	14,628,795.66	35,922,939.17

Other payables	55,170,612.11	9,963,259.86
Including: Interest payable		
Dividends payable		
Handling fee and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	103,983,841.52	88,187,086.64
Total current liabilities	4,409,197,747.44	4,564,766,213.29
Non-current liabilities:		
Insurance policy reserve		
Long-term borrowings		
Bonds payable		
Including: preferred shares		
Perpetual bonds		
Lease liability		
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	47,862,749.10	39,911,270.42
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	47,862,749.10	39,911,270.42
Total Liabilities	4,457,060,496.54	4,604,677,483.71
Equity (or Shareholders' Equity):		
Share capital	603,672,152.00	603,672,152.00
Other Equity Instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	2,353,714,511.15	2,353,714,511.15
Less: Treasury shares		
Other comprehensive income	-1,861,501.16	4,530,095.90
Special reserves	70,769.06	70,769.06
Surplus reserve	301,836,076.00	301,836,076.00
General risk preparation		
Undistributed profit	1,981,738,272.73	1,900,974,486.78
Total equity attributable to the parent Company	5,239,170,279.78	5,164,798,090.89
Minority shareholders' equity		
Total Equity (or Shareholders'	5,239,170,279.78	5,164,798,090.89

Equity)		
Total Liabilities and Equity (or Shareholders' Equity)	9,696,230,776.32	9,769,475,574.60

The person in charge of the Company: Yu Pingguang Person in charge of accounting work: Fu Fenghua Person in charge of the accounting agency: Yang Zhaodi

Consolidated Income Statement

January to March, 2025

Compilation unit: Zhejiang Hangke Technology Incorporated Company

Unit: Yuan Currency: RMB Audit Type: un-audited

Item	First Quarter of 2025	First Quarter of 2024
I. Total operating revenue	680,023,089.55	883,915,482.34
Including: Operating revenue	680,023,089.55	883,915,482.34
Interest income		
Premium earned		
Revenue from handling charges and commission		
II. Total operating cost	614,367,274.56	674,883,611.13
Including: Operating cost	536,821,659.04	583,682,352.28
Interest expense		
Handling charges and commission expenditures		
Surrender value		
Net payment of insurance claims		
Net provision of insurance policy reserve		
Premium bonus expenditures		
Reinsurance costs		
Taxes and surcharges	8,364,607.31	15,613,777.43
Selling expense	21,895,588.21	20,067,772.41
Administrative expenses	26,130,314.77	31,128,578.54
R & D costs	60,032,256.55	52,538,171.03
Financial expenses	-38,877,151.32	-28,147,040.56
Including: Interest expense		157,742.25
Interest income	19,183,174.51	22,931,643.08
Add: Other income	14,170,548.98	13,850,074.38
Investment income (indicate loss with "-")	490,668.10	-385,688.50
Including: Investment income from associates and joint ventures		
Gains from de-recognition of financial assets at amortized cost		
Gains on foreign exchange (indicate loss with "-")		
Gains on net exposure to hedging risk (indicate loss with "-")		
Gains on changes in fair value (indicate loss with "-")	-152,726.86	-1,153,287.08

Credit impairment losses (indicate loss with “-”)	63,528,714.32	-36,362,343.95
Asset impairment losses (indicate loss with “-”)	-20,691,414.68	2,216,774.29
Gains from asset disposal (indicate loss with “-”)	-313,443.81	
III. Operating profit (indicate loss with “-”)	122,688,161.04	187,197,400.35
Add: non-operating income	33,482.00	5,779,404.07
Less: Non-operating expenses	660,036.56	1,565,018.20
IV. Total profit (indicate total loss with “-”)	122,061,606.48	191,411,786.22
Less: income tax expense	6,284,835.71	18,437,379.17
V. Net profit (indicate net loss with “-”)	115,776,770.77	172,974,407.05
(I) Categorized by the continuity of operations		
1. Net profit from continuing operations (indicate net loss with “-”)	115,776,770.77	172,974,407.05
2. Net profit from discontinued operations (indicate net loss with “-”)		
(II) Classification by Ownership		
1. Net profit attributable to owners of parent Company (indicate net loss with “-”)	115,776,770.77	172,974,407.05
2. Net profit attributable to minority shareholders (indicate net loss with “-”)		
VI. Other comprehensive income after tax	-6,391,597.06	-1,761,017.59
(I) After-tax net amount of other comprehensive income attributable to owners of the parent Company	-6,391,597.06	-1,761,017.59
1. Not to be reclassified subsequently to profit or loss		
(1) Re-measurements of the net defined benefit plan		
(2) Items under equity method that will not be reclassified to profit or loss		
(3) Changes in fair value of other equity instrument investments		
(4) Changes in fair value of own credit risk		
2. To be reclassified subsequently to profit or loss	-6,391,597.06	-1,761,017.59
(1) Items under equity method that may be reclassified to profit or loss		
(2) Changes in fair value of other debt investments		
(3) Profit or loss from reclassification of financial assets into other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Cash flow hedging reserve		
(6) Translation reserve	-6,391,597.06	-1,761,017.59
(7) Others		
(II) Net after-tax amount of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	109,385,173.71	171,213,389.46
(I) Items attributable to the owners of the parent Company	109,385,173.71	171,213,389.46
(II) Total comprehensive income attributable to minority shareholders		

VIII. Earnings per share:		
(I) Basic EPS (Yuan/share)	0.19	0.29
(II) Diluted EPS (Yuan/share)	0.19	0.29

If a business merger under the same control occurs in the current period, the net profit realized by the merged party before the merger is: 0 Yuan, and the net profit realized by the merged party in the previous period is: 0 Yuan.

The person in charge of the Company: Yu Pingguang Person in charge of accounting work: Fu Fenghua
Person in charge of the accounting department: Yang Zhaodi

Consolidated Statement of Cash Flows

January to March, 2025

Prepared by: Zhejiang Hangke Technology Incorporated Company

Unit: Yuan Currency: RMB Audit Type: Un-audited

Item	First Quarter of 2025	First Quarter of 2024
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	903,401,238.64	633,237,924.98
Net increase of client deposit and interbank deposit		
Net increase in central bank borrowing		
Net increase of loans from other financial institutions		
Cash receipts from original insurance contract premium		
Net cash received from reinsurance		
Net increase of policy-holder deposit and investment		
Cash receipts from interest, handling charges and commission		
Net increase of loans from others		
Net increase of repurchase		
Net cash receipts from agency security transaction		
Receipts of tax refund	5,355,929.44	20,661,149.70
Other cash receipts related to operating activities	282,782,371.63	480,220,131.51
Subtotal of cash inflows from operating activities	1,191,539,539.71	1,134,119,206.19
Cash payments for goods purchased and services received	693,019,929.11	683,370,397.68
Net increase of loans and advances to clients		
Net increase of central bank deposit and interbank deposit		

Cash payments for insurance indemnities of original insurance contracts		
Net increase of loans to others		
Cash payments for interest, handling charges and commission		
Cash payments for policy bonus		
Cash paid to and on behalf of employees	158,428,701.32	150,289,932.09
Cash payments for taxes and rates	37,188,327.29	62,648,110.39
Other cash payments related to operating activities	273,475,563.47	202,299,396.75
Subtotal of cash outflows from operating activities	1,162,112,521.19	1,098,607,836.91
Net cash flows from operating activities	29,427,018.52	35,511,369.28
II. Cash flows from investing activities:		
Cash receipts from withdrawal of investments	150,000,000.00	
Cash receipts from investment income	494,798.33	
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	122,123.95	
Net cash receipts from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities		
Subtotal of cash inflows from investing activities	150,616,922.28	
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	51,458,205.47	64,254,454.79
Cash payments for investments		150,000,000.00
Net increase of pledged borrowings		
Net cash payments for the acquisition of subsidiaries & other business units		
Other cash payments related to investing activities		
Subtotal of cash outflows from investing activities	51,458,205.47	214,254,454.79
Net cash flows from investing activities	99,158,716.81	-214,254,454.79
III. Cash flows from financing activities:		
Cash receipts from absorbing investments		
Including: Cash received by subsidiaries from minority shareholders as investments		
Cash receipts from borrowings		
Other cash receipts related to financing activities		12,135,000.00
Subtotal of cash inflows from financing activities		12,135,000.00

Cash payments for the repayment of borrowings		
Cash payments for distribution of dividends or profits and for interest expenses	35,012,984.82	157,742.25
Including: Cash paid by subsidiaries to minority shareholders as dividend or profit		
Other cash payments related to financing activities		16,614,989.73
Subtotal of cash outflows from financing activities	35,012,984.82	16,772,731.98
Net cash flow from financing activities	-35,012,984.82	-4,637,731.98
IV. Effect of foreign exchange rate changes on cash & cash equivalents	24,343,798.96	-7,693,298.95
V. Net increase in cash and cash equivalents	117,916,549.47	-191,074,116.44
Add: Opening balance of cash and cash equivalents	2,711,519,926.45	2,865,817,877.74
VI. Closing balance of cash and cash equivalents	2,829,436,475.92	2,674,743,761.30

The person in charge of the Company: Yu Pingguang Person in charge of accounting work: Fu Fenghua
 Person in charge of the accounting department: Yang Zhaodi

(III) The new accounting standards will be implemented for the first time since 2025; or in case of the standard involves in adjustment, the financial statements at the beginning of the year will be implemented.

☐Applicable ☒ Not applicable

Hereby announced!

Board of Directors of Zhejiang Hangke Technology Incorporated Company
 April 29, 2025