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ZHEJIANG SANHUA INTELLIGENT CONTROLS CO., LTD.

浙江三花智能控制股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2050)

THIRD QUARTERLY REPORT OF 2025

This announcement is made by Zhejiang Sanhua Intelligent Controls Co., Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) set out in Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the unaudited financial statements of the Group for the nine months ended 30 September 2025 prepared in accordance with Chinese Accounting Standards for Business Enterprises.

The announcement is prepared in both Chinese and English languages. In the event of any inconsistency between the two versions, the Chinese version shall prevail.

IMPORTANT NOTICES:

1. The board of directors, the board of supervisors and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the quarterly report and that there are no false information, misleading statements or material omissions in the quarterly report, and shall assume joint and several legal responsibilities.
2. The person-in-charge of the Company, the person-in-charge of accounting work and the person-in-charge of the accounting department (the head of the accounting department) warrant the truthfulness, accuracy and completeness of the financial information contained in the quarterly report.
3. Whether the third quarterly financial accounting report has been audited

☐ Yes ☒ No

I. KEY FINANCIAL DATA

(I) Key Accounting Data and Financial Indicators

Whether the Company needs to make retrospective adjustments or restatements of accounting data of prior years

☐ Yes ☒ No

	For the Reporting Period	Increase/decrease of the Reporting Period as compared to the corresponding period of the previous year	From the beginning of the year to the end of the Reporting Period	Increase/decrease from the beginning of the year to the end of the Reporting Period as compared to the corresponding period of the previous year
Operating revenue (RMB)	7,766,526,004.86	12.77%	24,029,313,453.31	16.86%
Net profit attributable to shareholders of the listed company (RMB)	1,132,416,390.60	43.81%	3,242,356,551.79	40.85%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	1,073,106,255.78	48.80%	3,083,251,395.59	37.15%
Net cash flow generated from operating activities (RMB)	–	–	3,058,283,516.66	53.41%
Basic earnings per share (RMB/share)	0.27	28.63%	0.84	37.70%
Diluted earnings per share (RMB/share)	0.27	28.63%	0.84	37.70%
Weighted average ROE	3.70%	-0.60%	13.67%	1.06%
	At the end of the Reporting Period	At the end of the previous year	Increase/decrease at the end of the Reporting Period as compared with the end of the previous year	
Total assets (RMB)	48,514,006,971.69	36,354,748,426.21	33.45%	
Owner's equity attributable to shareholders of the listed company (RMB)	31,635,024,332.74	19,297,769,106.48	63.93%	

Notes:

1. Unless otherwise stated, all financial information in the quarterly report is denominated in RMB.
2. “Reporting Period” refers to the three-month period from the beginning to the end of the third quarter of 2025, the same below.

(II) Non-recurring Profit or Loss Items and Amounts✓ Applicable ☐ Not applicable

Unit: Yuan

Items	Amount for the Reporting Period	Amount from the beginning of the year to the end of the Reporting Period	Notes
Profit or loss from disposal of non-current assets (including written-off portion of accrued asset impairment provisions)	-450,533.65	-8,761,191.95	
Government grants charged to gains or losses for the current period, except for those that are closely related to the Company's normal business operations, in compliance with policy regulations, granted according to established standards and have a continuous impact on the Company's profit or loss	35,646,037.80	116,301,706.06	
Profit or loss from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, as well as profit or loss from the disposal of financial assets and financial liabilities, excluding effective hedging activities related to the Company's normal business operations	39,366,819.29	73,224,699.39	To avoid raw material price risks and exchange rate risks, the Company and its subsidiaries have carried out derivative instrument business, including futures contracts and foreign exchange forward contracts, etc. From January to September 2025, the futures gain was RMB19.50 million and the forward gain was RMB16.83 million. From January to September 2024, the futures gain was RMB19.57 million and the forward loss was RMB35.33 million. At the same time, the exchange loss from January to September 2025 was RMB68.85 million, and the exchange gain from January to September 2024 was RMB10.80 million. According to the "Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss" (《公開發行證券的公司信息披露解釋性公告第1號－非經常性損益》), exchange profits or losses are recurring profits or losses items, while futures and forward profits or losses are non-recurring profits or losses items.
Profit or loss on entrusted investments or assets under management	793,595.40	10,794,684.04	
Reversal of the provision for impairment of receivables which are tested individually for impairment		1,659,980.58	
Other non-operating revenue and expenses other than the aforesaid items	-6,133,072.06	-5,597,535.99	
Less: Impact of income tax	10,666,692.87	28,551,648.13	
Impact of the minority interests (after tax)	-753,980.91	-34,462.20	
Total	59,310,134.82	159,105,156.20	-

Other specific circumstances of profit or loss items that meet the definition of non-recurring profit or loss:

☐ Applicable ☒ Not applicable

The Company has no other specific circumstances of profit or loss items that meet the definition of non-recurring profit or loss.

Explanation on defining the non-recurring profit or loss items listed in the “Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss” (《公開發行證券的公司信息披露解釋性公告第1號－非經常性損益》) as recurring profit or loss items.

☐ Applicable ☒ Not applicable

The Company has not defined the non-recurring profit or loss items listed in the “Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss” (《公開發行證券的公司信息披露解釋性公告第1號－非經常性損益》) as recurring profit or loss items.

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

☒ Applicable ☐ Not applicable

1. Cash and bank balances at the end of the period increased by 194.48% compared with the beginning of the year, mainly due to the Company successfully completing the issuance of H shares and the proceeds raised being in place.
2. Held-for-trading financial assets at the end of the period increased by RMB94.29 million compared with the beginning of the year, mainly due to the Company’s investment in shares of Fortior Technology, a listed company.
3. Derivative financial assets at the end of the period increased by RMB2.99 million compared with the beginning of the year, mainly due to the increase in floating gains on exchange rate derivative instruments.
4. Other current assets at the end of the period decreased by RMB726.63 million compared with the beginning of the year, mainly due to the redemption of certain wealth management products in the current period.
5. Long-term receivable at the end of the period decreased by RMB2.67 million compared with the beginning of the year, mainly due to the decrease in long-term deposits and balance of guarantee deposits.
6. Deferred tax assets at the end of the period increased by RMB41.43 million compared with the beginning of the year, mainly due to the increase in deductible temporary differences arising from the recognition of share payment expenses and the provision for bad debts.

7. Derivative financial liabilities at the end of the period decreased by RMB74.08 million compared with the beginning of the year, mainly due to the decrease in the floating losses on exchange rate derivative instruments.
8. Contract liabilities at the end of the period increased by RMB28.19 million compared with the beginning of the year, mainly due to the increase in the prepayments from customers.
9. Non-current liabilities due within one year at the end of the period increased by RMB1,105.68 million compared with the beginning of the year and long-term borrowings decreased by RMB965.77 million compared with the beginning of the year, mainly due to the reclassification of some long-term borrowings to non-current liabilities due within one year.
10. Other current liabilities at the end of the period increased by RMB0.71 million compared with the beginning of the year, mainly due to the increase in prepayments which leads to the corresponding increase in the amount of pending output VAT.
11. Capital reserve at the end of the period increased by RMB9,271.32 million compared with the beginning of the year, mainly due to the Company completing the issuance of H shares.
12. Treasury shares at the end of the period decreased by RMB124.87 million compared with the beginning of the year, mainly due to the effect of unlocking of restricted shares granted to employees.
13. Other comprehensive income at the end of the period increased by RMB155.51 million compared with the beginning of the year, mainly due to the effect of the fluctuations in exchange rate.
14. Financial expenses in the first three quarters increased by RMB22.61 million year-on-year, mainly due to the decrease in the exchange gain.
15. Other income in the first three quarters increased by RMB52.33 million year-on-year, mainly due to the increase in government grants received.
16. Gains on changes in fair value in the first three quarters increased by RMB95.67 million year-on-year, mainly due to the increase in floating gains on exchange rate derivative instruments.
17. The changes in the credit impairment loss in the first three quarters were mainly affected by the changes in accounts receivable, etc.
18. The changes in the assets impairment loss in the first three quarters were mainly affected by the changes in inventory impairment and fixed asset impairments, etc.
19. Gains on asset disposal in the first three quarters decreased by RMB2.15 million year-on-year, mainly due to the increase in losses on disposal of fixed assets.

20. Non-operating expenditures in the first three quarters increased by RMB8.00 million year-on-year, mainly due to the increase in the overdue fine.
21. Income tax expenses in the first three quarters increased by 41.24% year-on-year, mainly due to profit growth, which led to an increase in income tax expenses.
22. Profit or loss attributable to non-controlling shareholders in the first three quarters increased by RMB29.17 million year-on-year, mainly due to the increase in net profit of some non-wholly-owned subsidiaries.
23. Net cash flows from operating activities in the first three quarters increased by RMB1,064.80 million year-on-year, mainly due to the increase in cash received from sales of products in the current period.
24. Net cash flows from investing activities in the first three quarters increased by RMB903.48 million year-on-year, mainly due to the increase in the redemption of wealth management products in the current period.
25. Net cash flows from financing activities in the first three quarters increased by RMB8,902.16 million year-on-year, mainly due to the Company successfully completing the issuance of H shares and the proceeds raised being in place.
26. The effect of foreign exchange rate changes on cash & cash equivalents in the first three quarters was RMB35.21 million, mainly due to fluctuations in exchange rate.

II. INFORMATION OF SHAREHOLDERS

(I) Statement of the Total Number of Ordinary Shareholders and Preferred Shareholders with Restored Voting Rights and the Shareholdings of the Top 10 Shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the Reporting Period	445,452 (including 445,415 shareholders of A shares and 37 registered shareholders of H shares)	Total number of preferred shareholders of which voting rights have resumed as at the end of the Reporting Period (if any)	0			
Shareholdings of the Top 10 Shareholders (excluding shares lent through the margin refinancing transfer)						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to lock-up	Shares pledged, marked or frozen	
					Status of shares	Number
Sanhua Holding Group Co., Ltd. (三花控股集團有限公司)	Domestic non-state-owned legal person	22.54%	948,487,077	0	Not applicable	0
Zhejiang Sanhua Green Energy Industrial Group Co., Ltd. (浙江三花綠能實業集團有限公司)	Domestic non-state-owned legal person	15.78%	664,375,189	0	Not applicable	0
HKSCC NOMINEES LIMITED	Foreign legal person	11.32%	476,531,190	0	Not applicable	0
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	3.94%	165,854,761	0	Not applicable	0
Zhang Yabo	Domestic natural person	0.93%	39,024,200	29,268,150	Not applicable	0
Industrial and Commercial Bank of China Limited – HuataiPineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	Others	0.91%	38,136,197	0	Not applicable	0

Shareholdings of the Top 10 Shareholders (excluding shares lent through the margin refinancing transfer)						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to lock-up	Shares pledged, marked or frozen	
					Status of shares	Number
China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	Others	0.65%	27,561,780	0	Not applicable	0
Industrial and Commercial Bank of China Limited – GF CNI New Energy Vehicle Battery Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－廣發國證新能源車電池交易型開放式指數證券投資基金)	Others	0.55%	23,084,516	0	Not applicable	0
Industrial and Commercial Bank of China Limited – ChinaAMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	Others	0.49%	20,567,324	0	Not applicable	0
China Life Insurance Co., Ltd. – Traditional – General Insurance Products – 005L – CT001 Shanghai (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001滬)	Others	0.46%	19,514,503	0	Not applicable	0

Shareholdings of the Top 10 Shareholders Not Subject to Trading Moratorium (excluding shares lent through the margin refinancing transfer and locked shares held by the senior management)			
Name of shareholder	Number of shares held without lock-up	Type and number of shares	
		Type of shares	Number
Sanhua Holding Group Co., Ltd. (三花控股集團有限公司)	948,487,077	RMB ordinary shares	948,487,077
Zhejiang Sanhua Green Energy Industrial Group Co., Ltd. (浙江三花綠能實業集團有限公司)	664,375,189	RMB ordinary shares	664,375,189
HKSCC NOMINEES LIMITED	476,531,190	RMB ordinary shares	476,531,190
Hong Kong Securities Clearing Company Ltd.	165,854,761	RMB ordinary shares	165,854,761
Industrial and Commercial Bank of China Limited – HuataiPineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	38,136,197	RMB ordinary shares	38,136,197
China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	27,561,780	RMB ordinary shares	27,561,780
Industrial and Commercial Bank of China Limited – GF CNI New Energy Vehicle Battery Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－廣發國證新能源車電池交易型開放式指數證券投資基金)	23,084,516	RMB ordinary shares	23,084,516
Industrial and Commercial Bank of China Limited – ChinaAMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	20,567,324	RMB ordinary shares	20,567,324
China Life Insurance Co., Ltd. – Traditional – General Insurance Products – 005L – CT001 Shanghai (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001滬)	19,514,503	RMB ordinary shares	19,514,503
Bank of China Limited – Harvest CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	17,725,811	RMB ordinary shares	17,725,811
Description on the related relationship of the shareholders and action in concert among the aforesaid shareholders	Among the aforesaid shareholders, Sanhua Holding Group Co., Ltd., Zhejiang Sanhua Green Energy Industrial Group Co., Ltd. and Zhang Yabo are persons acting in concert. The Company is not aware of any related relationship among the other shareholders or whether such shareholders are parties acting in concert as specified in the Measures for the Administration of the Takeover of Listed Companies (《上市公司收購管理辦法》).		
Description (if any) of the participation of the top 10 shareholders in the securities financing business	/		

Notes:

1. Hong Kong Securities Clearing Company Ltd. is the nominal holder of the Company's Shenzhen-Hong Kong Stock Connect shares.
2. HKSCC NOMINEES LIMITED is the nominal holder of the shares held by the Company's non-registered shareholders of H shares.

Information on the shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders holding tradable shares without lock-up participating in the securities lending business for refinancing

☐ Applicable ☒ Not applicable

The top 10 shareholders and the top 10 shareholders holding tradable shares without lock-up have changed from the corresponding period of last year due to refinancing lending/returning

☐ Applicable ☒ Not applicable

(II) Statement of the Total Number of Preferred Shareholders and the Shareholdings of the Top 10 Preferred Shareholders

☐ Applicable ☒ Not applicable

III. OTHER SIGNIFICANT EVENTS

☒ Applicable ☐ Not applicable

On 18 July 2025, the Company agreed that the over-allotment option has been fully exercised by the overall coordinators (on behalf of the international underwriters) to issue 62,156,900 H shares at the offer price of HK\$22.53 per H share (exclusive of brokerage, SFC transaction levy, Hong Kong Stock Exchange trading fee and AFRC transaction levy), representing approximately 15.0% of the total number of offer shares available under the global offering. Upon full exercise of the aforementioned over-allotment option, the number of H shares issued by the Company increased from 414,379,500 to 476,536,400.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Zhejiang Sanhua Intelligent Controls Co., Ltd. September 30, 2025 Unit: Yuan

Items	Balance at the end of the period	Balance at the beginning of the period
Current assets:		
Cash and bank balances	15,456,035,982.19	5,248,567,646.21
Settlement funds		
Loans to other banks		
Held-for-trading financial assets	94,293,553.60	
Derivative financial assets	9,223,439.91	6,237,202.48
Notes receivable	3,321,830,349.06	2,677,270,284.96
Accounts receivable	8,098,751,679.69	6,951,066,861.07
Receivable financing		
Advances paid	140,669,065.45	158,980,448.21
Premium receivable		
Reinsurance accounts receivable		
Reinsurance reserves receivable		
Other receivables	211,193,150.78	258,058,796.63
Including: Interest receivable		
Dividends receivable		
Repurchasing of financial assets		
Inventories	4,947,358,714.71	5,280,441,824.48
Including: data resources		
Contract assets		
Assets held for sales		
Non-current assets due within one year		
Other current assets	993,913,653.65	1,720,539,931.75
Total current assets	33,273,269,589.04	22,301,162,995.79

Items	Balance at the end of the period	Balance at the beginning of the period
Non-current assets:		
Loans and advances paid		
Debt investments		
Other debt investments		
Long-term receivable	1,239,861.89	3,912,822.74
Long-term equity investments	43,343,961.78	40,599,793.42
Other equity instrument investments		
Other non-current financial assets		
Investment properties	7,212,264.68	7,053,153.92
Fixed assets	10,882,850,581.07	9,794,453,949.92
Construction in progress	1,994,797,402.68	2,171,985,301.79
Productive biological assets		
Oil & gas assets		
Right-of-use assets	318,877,170.09	336,584,880.00
Intangible assets	1,264,730,751.58	1,074,511,282.42
Including: Data resource		
Development expenditures		
Including: Data resource		
Goodwill		
Long-term prepayments	256,907,490.51	200,664,440.75
Deferred tax assets	154,131,617.67	112,698,841.53
Other non-current assets	316,646,280.70	311,120,963.93
Total non-current assets	15,240,737,382.65	14,053,585,430.42
Total assets	48,514,006,971.69	36,354,748,426.21
Current liabilities:		
Short-term borrowings	1,326,014,789.39	1,553,345,651.16
Borrowings from the Central Bank		
Loans from other banks		
Held-for-trading financial liabilities		
Derivative financial liabilities	5,598,014.30	79,678,118.93
Notes payables	4,141,217,030.45	3,791,834,944.38
Accounts payable	5,712,972,707.54	5,985,427,008.79
Advances received		
Contract liabilities	77,655,113.55	49,461,722.83

Items	Balance at the end of the period	Balance at the beginning of the period
Selling of repurchased financial assets		
Absorbing deposit and interbank deposit		
Deposit for agency security transaction		
Deposit for agency security underwriting		
Employee benefits payable	707,484,734.93	726,001,478.89
Taxes and rates payable	321,038,211.26	309,874,433.92
Other payables	418,609,059.60	545,412,160.30
Including: Interest payable	4,027,902.35	1,894,919.92
Dividends payable		2,528,280.00
Handling fee and commission payable		
Reinsurance accounts payable		
Liabilities classified as held for sale		
Non-current liabilities due within one year	1,696,671,325.53	590,993,952.12
Other current liabilities	1,982,898.06	1,274,402.83
Total current liabilities	14,409,243,884.61	13,633,303,874.15
Non-current liabilities:		
Insurance policy reserve		
Long-term borrowings	1,080,000,000.00	2,045,772,594.73
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	187,322,609.34	237,913,009.51
Long-term payables		
Long-term employee benefits payable	37,209,576.59	33,943,063.56
Provisions		
Deferred income	641,496,840.29	607,754,278.80
Deferred tax liabilities	242,013,329.57	258,263,974.78
Other non-current liabilities	18,154,107.25	18,154,107.25
Total non-current liabilities	2,206,196,463.04	3,201,801,028.63
Total liabilities	16,615,440,347.65	16,835,104,902.78
Owners' equity:		
Share capital	4,208,013,935.00	3,732,389,535.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		

Items	Balance at the end of the period	Balance at the beginning of the period
Capital reserve	12,542,630,587.99	3,271,313,277.48
Less: Treasury shares	256,979,624.17	381,847,576.78
Other comprehensive income	17,146,811.37	-138,362,653.48
Specific reserve		
Surplus reserve	1,163,964,885.09	1,163,964,885.09
General risk reserve		
Undistributed profit	13,960,247,737.46	11,650,311,639.17
Total equity attributable to the owners of the parent company	31,635,024,332.74	19,297,769,106.48
Non-controlling interests	263,542,291.30	221,874,416.95
Total owners' equity	31,898,566,624.04	19,519,643,523.43
Total liabilities and owners' equity	48,514,006,971.69	36,354,748,426.21

Legal
representative:
Zhang Yabo (張亞波)

Person-in-charge of
accounting work:
Yu Yingkui (俞莖奎)

Person-in-charge of the
accounting department:
Li Zhimi (李智密)

2. Consolidated Income Statements from the Beginning of the Year to the End of the Reporting Period

Unit: Yuan

Items	Amount of the current period	Amount of the previous period
I. Total operating revenue	24,029,313,453.31	20,562,897,141.85
Including: Operating revenue	24,029,313,453.31	20,562,897,141.85
Interest income		
Insurance premium earned		
Handling fees and commission income		
II. Total operating costs	20,304,194,091.87	17,836,885,184.27
Including: Operating costs	17,280,981,736.45	14,867,571,687.23
Interest expenses		
Handling charges and commission expenses		
Surrender value		
Net payment of insurance claims		
Net provision of insurance policy reserve		
Premium bonus expenditures		
Reinsurance expenses		
Taxes and surcharges	133,131,125.93	118,541,149.22
Selling expenses	434,604,629.53	450,852,589.16
Administrative expenses	1,331,418,808.54	1,409,806,220.44
R&D expenses	1,103,792,256.31	992,453,861.28
Financial expenses	20,265,535.11	-2,340,323.06
Including: Interest expenses	109,475,059.85	106,073,814.73
Interest income	165,302,519.25	102,669,211.27
Add: Other income	225,400,809.74	173,065,953.68
Investment income (or less: losses)	-16,094,557.38	-19,514,498.74
Including: Investment income from associates and joint ventures	7,216,254.78	7,155,156.76
Gains from derecognition of financial assets at amortized cost		
Gains on foreign exchange (or less: losses)		
Gains on net exposure to hedging risk (or less: losses)		

Items	Amount of the current period	Amount of the previous period
Gains on change in fair value (or less: losses)	111,532,364.62	15,862,633.08
Credit impairment loss (or less: losses)	-68,742,663.06	-84,342,031.92
Assets impairment loss (or less: losses)	-63,117,948.80	-55,467,536.79
Gains on asset disposal (or less: losses)	-2,177,239.62	-22,698.85
III. Operating profit (or less: losses)	3,911,920,126.94	2,755,593,778.04
Add: Non-operating revenue	7,374,193.56	7,828,938.14
Less: Non-operating expenditures	19,555,681.88	11,555,184.38
IV. Total profit (or less: total loss)	3,899,738,638.62	2,751,867,531.80
Less: Income tax expenses	610,656,597.50	432,344,301.96
V. Net profit (or less: net loss)	3,289,082,041.12	2,319,523,229.84
(I) Categorized by the continuity of operations		
1. Net profit from continuing operations (or less: net loss)	3,289,082,041.12	2,319,523,229.84
2. Net profit from discontinued operations (or less: net loss)		
(II) Categorized by the portion of equity ownership		
1. Net profit attributable to shareholders of the parent company (or less: net loss)	3,242,356,551.79	2,301,970,695.56
2. Profit or loss attributable to non-controlling shareholders (or less: net loss)	46,725,489.33	17,552,534.28
VI. Other comprehensive income after tax	155,509,464.85	-277,205,384.75
Items attributable to the owners of the parent company	155,509,464.85	-277,205,384.75
(I) Not to be reclassified subsequently to profit or loss		
1. Changes in remeasurement on the 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		
5. Others		

Items	Amount of the current period	Amount of the previous period
(II) To be reclassified subsequently to profit or loss	155,509,464.85	-277,205,384.75
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	155,509,464.85	-277,205,384.75
7. Others		
Items attributable to non-controlling shareholders		
VII. Total comprehensive income	3,444,591,505.97	2,042,317,845.09
(I) Items attributable to the owners of the parent company	3,397,866,016.64	2,024,765,310.81
(II) Items attributable to non-controlling shareholders	46,725,489.33	17,552,534.28
VIII. Earnings per share (EPS):		
(I) Basic EPS (yuan per share)	0.84	0.61
(II) Diluted EPS (yuan per share)	0.84	0.61

Legal
representative:
Zhang Yabo (張亞波)

Person-in-charge of
accounting work:
Yu Yingkui (俞莖奎)

Person-in-charge of the
accounting department:
Li Zhimi (李智密)

3. Consolidated Statement of Cash Flows from the Beginning of the Year to the End of the Reporting Period

Unit: Yuan

Items	Amount of the current period	Amount of the previous period
I. Cash flows from operating activities:		
Cash receipts from sale of goods or rendering of services	23,196,410,142.93	19,779,130,496.48
Net increase of client deposit and interbank deposit		
Net increase of central bank loans		
Net increase of loans from other financial institutions		
Cash receipts from original insurance contract premium		
Net cash receipts 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	533,589,312.45	630,812,706.50
Other cash receipts related to operating activities	318,348,118.76	463,545,230.19
Subtotal of cash inflows from operating activities	24,048,347,574.14	20,873,488,433.17
Cash payments for goods purchased and services received	15,468,777,976.77	13,825,882,765.12
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		

Items	Amount of the current period	Amount of the previous period
Cash payments for interest, handling charges and commission		
Cash payments for policy bonus		
Cash paid to and on behalf of employees	3,371,655,520.42	3,079,850,349.33
Cash payments for taxes and rates	1,143,915,374.25	1,012,372,228.14
Other cash payments related to operating activities	1,005,715,186.04	961,898,234.75
Subtotal of cash outflows from operating activities	20,990,064,057.48	18,880,003,577.34
Net cash flows from operating activities	3,058,283,516.66	1,993,484,855.83
II. Cash flows from investing activities:		
Cash receipts from withdrawal of investments		
Cash receipts from investment income	21,133,384.04	7,991,863.57
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	941,978.30	2,702,604.46
Net cash receipts from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities	1,948,647,202.69	2,297,075,396.58
Subtotal of cash inflows from investing activities	1,970,722,565.03	2,307,769,864.61
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	2,057,789,989.66	2,344,661,073.30
Cash payments for investments		7,233,321.48
Net increase of pledged borrowings		
Net cash payments for the acquisition of subsidiaries & other business units		
Other cash payments related to investing activities	1,679,013,020.65	2,625,434,164.16
Subtotal of cash outflows from investing activities	3,736,803,010.31	4,977,328,558.94
Net cash flows from investing activities	-1,766,080,445.28	-2,669,558,694.33
III. Cash flows from financing activities:		
Cash receipts from absorbing investments	9,802,604,749.86	336,702,751.75
Including: Cash received by subsidiaries from non-controlling shareholders as investments		44,010,251.75
Cash receipts from borrowings	1,706,677,500.00	2,810,748,700.00
Other cash receipts related to financing activities	112,970,075.07	52,701,379.05

Items	Amount of the current period	Amount of the previous period
Subtotal of cash inflows from financing activities	11,622,252,324.93	3,200,152,830.80
Cash payments for the repayment of borrowings	1,886,336,900.00	2,214,230,100.00
Cash payments for distribution of dividends or profits and for interest expenses	1,034,942,554.44	1,026,997,611.75
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit	8,294,280.00	1,200,000.00
Other cash payments related to financing activities	202,113,904.24	362,228,636.75
Subtotal of cash outflows from financing activities	3,123,393,358.68	3,603,456,348.50
Net cash flows from financing activities	8,498,858,966.25	-403,303,517.70
IV. Effect of foreign exchange rate changes on cash & cash equivalents	-35,207,124.08	-102,772,684.75
V. Net increase in cash and cash equivalents	9,755,854,913.55	-1,182,150,040.95
Add: Opening balance of cash and cash equivalents	3,443,502,489.90	3,624,955,498.84
VI. Closing balance of cash and cash equivalents	13,199,357,403.45	2,442,805,457.89

Legal
representative:
Zhang Yabo (張亞波)

Person-in-charge of
accounting work:
Yu Yingkui (俞莖奎)

Person-in-charge of the
accounting department:
Li Zhimi (李智密)

(II) Adjustments to Relevant items of the Financial Statements at the Beginning of the Year Against Initial Application of New Accounting Standards Since 2025

☐ Applicable ☒ Not applicable

(III) Audit Report

Whether the third quarterly financial accounting report has been audited

☐ Yes ☒ No

The third quarterly financial accounting report of the Company has not been audited.

By order of the Board
Zhejiang Sanhua Intelligent Controls Co., Ltd.
ZHANG Yabo
Chairman of the Board and Executive Director

Hong Kong, October 30, 2025

As at the date of this announcement, the Board comprises: (i) Mr. ZHANG Yabo, Mr. WANG Dayong, Mr. NI Xiaoming and Mr. CHEN Yuzhong as executive Directors; (ii) Mr. ZHANG Shaobo and Mr. REN Jintu as non-executive Directors; and (iii) Mr. BAO Ensi, Mr. SHI Jianhui, Ms. PAN Yalan and Mr. GE Jun as independent non-executive Directors.