

## Consolidated Balance Sheet

For the financial period ended 30 September 2019

Goertek Inc

| Subjects                                                            | 30 September 2019        | 31 December 2018         |
|---------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                     | RMB                      | RMB                      |
| <b>Current assets</b>                                               |                          |                          |
| Cash and cash equivalents                                           | 3,051,468,290.38         | 2,391,589,146.42         |
| Held-for-trading financial assets                                   | 36,834,712.30            |                          |
| Financial assets measured at fair value through profit or loss      |                          | 32,133,630.86            |
| Bill receivables                                                    | 34,591,824.04            | 19,154,863.05            |
| Trade receivables                                                   | 8,211,758,346.70         | 7,191,930,013.52         |
| Prepayments                                                         | 309,210,065.93           | 161,082,664.75           |
| Other receivables                                                   | 81,685,449.09            | 59,673,955.49            |
| Inventories                                                         | 4,969,770,849.22         | 3,548,509,753.70         |
| Other current assets                                                | 281,598,581.80           | 416,107,699.68           |
| <b>Total current assets</b>                                         | <b>16,976,918,119.46</b> | <b>13,820,181,727.47</b> |
| <b>Non-current assets</b>                                           |                          |                          |
| Held-for-sale financial assets                                      |                          | 328,150,813.02           |
| Long-term investments                                               | 253,357,024.04           | 247,669,710.76           |
| Other equity instruments                                            | 341,084,183.21           |                          |
| Property, plant and equipments                                      | 10,905,491,580.70        | 11,117,324,474.69        |
| Construction-in-progress                                            | 1,740,716,563.11         | 1,320,210,388.77         |
| Intangible assets                                                   | 2,226,387,234.92         | 2,024,314,164.61         |
| Development expenditure                                             | 388,467,330.35           | 205,031,113.95           |
|                                                                     |                          |                          |
|                                                                     |                          |                          |
| Other non-current assets                                            | 284,065,792.57           | 213,788,117.50           |
| <b>Total non-current assets</b>                                     | <b>16,531,578,773.12</b> | <b>15,922,273,597.98</b> |
| <b>Total Assets</b>                                                 | <b>33,508,496,892.58</b> | <b>29,742,455,325.45</b> |
| <b>Current liabilities</b>                                          |                          |                          |
| Short-term borrowings                                               | 5,774,387,308.16         | 5,851,710,294.55         |
| Held-for-sale financial liabilities                                 | 273,686,212.01           |                          |
| Financial liabilities measured at fair value through profit or loss |                          | 112,990,718.70           |
| Bill payables                                                       | 467,207,102.16           | 328,086,658.38           |
| Trade payables                                                      | 7,931,807,515.25         | 5,287,151,933.62         |
| Payment received in advance                                         | 285,973,604.35           | 104,206,438.76           |
| Salary payables                                                     | 495,894,383.61           | 549,438,543.14           |
| Tax payables                                                        | 225,284,887.05           | 91,032,452.99            |
| Other payables                                                      | 81,698,609.32            | 97,207,084.94            |
| -interest payables                                                  | 25,105,855.10            | 21,213,347.24            |
| Non-current payables- current portion                               | 1,279,404,229.17         | 1,030,880,716.40         |
| <b>Total current liabilities</b>                                    | <b>16,815,343,851.08</b> | <b>13,452,704,841.48</b> |
| <b>Non-current liabilities</b>                                      |                          |                          |
| Long-term borrowings                                                | 237,044,283.55           | 606,423,511.34           |
| Deferred income                                                     | 337,463,552.23           | 284,228,900.97           |
| Deferred tax liabilities                                            | 223,123,960.58           | 209,351,731.19           |
| Total non-current liabilities                                       | 797,631,796.36           | 1,100,004,143.50         |
| <b>Total current liabilities</b>                                    | <b>17,612,975,647.44</b> | <b>14,552,708,984.98</b> |
| <b>Shareholders' equity</b>                                         |                          |                          |
| Share capital                                                       | 3,245,103,948.00         | 3,245,103,948.00         |
| Capital reserve                                                     | 2,997,095,979.64         | 2,997,147,524.32         |
| Less: treasury stock                                                | 356,880,480.14           | 294,766,978.02           |
| Other comprehensive income                                          | -97,160,105.52           | -112,629,928.32          |
| Surplus reserve                                                     | 1,061,825,823.19         | 1,061,825,823.19         |
| Retained earnings                                                   | 9,057,376,717.90         | 8,304,597,414.21         |
| Shareholders' equity belongs to shareholder of parents company      | 15,907,361,883.07        | 15,201,277,803.38        |
| Non-controlling interests                                           | -11,840,637.93           | -11,531,462.91           |
| <b>Total shareholders' equity</b>                                   | <b>15,895,521,245.14</b> | <b>15,189,746,340.47</b> |
| <b>Total liabilities and equity</b>                                 | <b>33,508,496,892.58</b> | <b>29,742,455,325.45</b> |

# Consolidated Statement of Comprehensive Incomex-nonex-no

## Goertek Inc

| Subjects                                                                                                                                              | 1 Jan 2019<br>to<br>30 Sep 2019 | 1 Jan 2018<br>to<br>30 Sep 2018 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>Revenue</b>                                                                                                                                        | <b>24,134,404,733.64</b>        | <b>15,447,866,017.74</b>        |
| Cost of sales                                                                                                                                         | 20,241,813,329.30               | 12,307,457,466.10               |
| Business tax and surcharges                                                                                                                           | 164,180,883.65                  | 92,985,629.63                   |
| Selling and distribution costs                                                                                                                        | 419,708,129.13                  | 407,519,978.95                  |
| General and administrative costs                                                                                                                      | 582,433,046.02                  | 577,282,203.95                  |
| Research and development costs                                                                                                                        | 1,120,691,681.15                | 963,740,284.84                  |
| Financial costs                                                                                                                                       | 244,520,414.75                  | 270,100,092.17                  |
| - Interest expenses                                                                                                                                   | 208,113,099.01                  | 173,390,944.34                  |
| - Interest income                                                                                                                                     | 13,044,315.23                   | 15,896,699.27                   |
| Add: other income                                                                                                                                     | 151,802,157.98                  | 236,937,851.85                  |
| - Investment income                                                                                                                                   | -70,605,718.01                  | -7,055,790.79                   |
| -- Share of profits from equity accounted investment                                                                                                  | 7,886,468.76                    | -9,720,703.81                   |
| Gain on fair value revaluation (negative means loss)                                                                                                  | -148,561,166.41                 | -6,930,375.00                   |
| Credit losses ( negative means loss)                                                                                                                  | -1,806,392.64                   |                                 |
| Loss on assets impairment                                                                                                                             | -59,870,427.75                  | -39,747,598.97                  |
| Loss on disposal of fixed assets                                                                                                                      | -33,048,242.88                  | -1,066,342.25                   |
| <b>Operating profits</b>                                                                                                                              | <b>1,198,967,459.93</b>         | <b>1,010,918,106.94</b>         |
| Add: non-operating income                                                                                                                             | 9,264,716.02                    | 7,339,034.22                    |
| Less: non-operating expenses                                                                                                                          | 23,357,311.08                   | 17,364,035.61                   |
| <b>Total operating profits</b>                                                                                                                        | <b>1,184,874,864.87</b>         | <b>1,000,893,105.55</b>         |
| Less: tax expenses                                                                                                                                    | 200,306,165.68                  | 157,797,345.67                  |
| <b>Net operating profits</b>                                                                                                                          | <b>984,568,699.19</b>           | <b>843,095,759.88</b>           |
| 1. Net profits from continuing operation                                                                                                              | 984,568,699.19                  | 843,095,759.88                  |
| - Net profits attributable to shareholder of parent company                                                                                           | 984,992,924.24                  | 856,198,277.09                  |
| - Non-controlling interests                                                                                                                           | -424,225.05                     | -13,102,517.21                  |
| <b>Other Comprehensive income, net of tax</b>                                                                                                         | <b>16,488,072.21</b>            | <b>-10,689,460.96</b>           |
| - attributable to shareholder of parent company                                                                                                       | 15,469,822.80                   | -9,924,990.40                   |
| Other comprehensive income which will be reclassified subsequently into profit or loss                                                                | 15,469,822.80                   | -9,924,990.40                   |
| -Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit and loss | -6,469,007.39                   |                                 |
| -Change in fair value of available-for-sale financial assets                                                                                          |                                 | -27,491,225.34                  |
| -Foreign currency translation adjustment                                                                                                              | 21,938,830.19                   | 17,566,234.94                   |
| - to minority interests                                                                                                                               | 1,018,249.41                    | -764,470.56                     |
| <b>Total Comprehensive income</b>                                                                                                                     | <b>1,001,056,771.40</b>         | <b>832,406,298.92</b>           |
| Comprehensive income attributable to shareholder of parent company                                                                                    | 1,000,462,747.04                | 846,273,286.69                  |
| Comprehensive income to minority shareholders                                                                                                         | 594,024.36                      | -13,866,987.77                  |
| Basic EPS                                                                                                                                             | <b>0.31</b>                     | <b>0.26</b>                     |
| Diluted EPS                                                                                                                                           | <b>0.31</b>                     | <b>0.26</b>                     |

**Goertek Inc**

| <b>Subjects</b>                                                                 | <b>nine months ended</b> | <b>nine months ended</b>      |
|---------------------------------------------------------------------------------|--------------------------|-------------------------------|
|                                                                                 | <b>30 Sep 2019</b>       | <b>30 Sep 2018</b>            |
|                                                                                 | <b>RMB</b>               | <b>RMB</b>                    |
| <b>Cash flows from operating activities</b>                                     |                          |                               |
| cash received from selling of goods and services                                | 24,203,143,239.44        | 15,338,997,720.56             |
| Tax refund                                                                      | 1,210,314,172.56         | 1,256,403,433.37              |
| cash received from other operating activities                                   | 388,453,608.35           | 333,583,309.93                |
| <b>Cash inflows from operating activities</b>                                   | <b>25,801,911,020.35</b> | <b>16,928,984,463.86</b>      |
| Cash payment of purchase of goods and services                                  | 18,033,941,111.34        | 11,760,697,230.38             |
| Cash payment of staff related expenses                                          |                          |                               |
| Tax paid                                                                        |                          |                               |
| Cash payment of staff related expenses                                          | 3,339,399,842.42         | 3,129,093,086.19              |
| Tax paid                                                                        | 333,233,796.86           | 360,704,586.15                |
| cash paid for other operating activities                                        | 986,886,674.89           | 1,105,418,131.29              |
| <b>Cash outflow from operating activities</b>                                   | <b>22,693,461,425.51</b> | <b>16,355,913,034.01</b>      |
| <b>Net cash generated from operating activities</b>                             | <b>3,108,449,594.84</b>  | <b>573,071,429.85</b>         |
| <b>Cash flows from investing activities</b>                                     |                          |                               |
| Cash received from return on investments                                        | 75,102,367.74            |                               |
| Cash received from investments                                                  | 5,130,373.24             | 2,977,734.05                  |
| Proceeds from disposal of fixed assets                                          | 51,134,689.45            | 17,750,330.58                 |
| Proceeds from disposal of fixed assets                                          | 118,422,143.32           | 42,785,833.95                 |
| <b>Cash inflow from investing activities</b>                                    | <b>249,789,573.75</b>    | <b>63,513,898.58</b>          |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 1,769,976,441.24         | 2,787,458,301.48              |
| Cash paid to acquire investments                                                | 84,721,113.92            | 58,339,077.43                 |
| Cash paid for other operating activities                                        |                          | 25,297,179.00                 |
| <b>Cash outflows from investing activities</b>                                  | <b>1,854,697,555.16</b>  | <b>2,871,094,557.91</b>       |
| <b>Net cash used in investing activities</b>                                    | <b>-1,604,907,981.41</b> | <b>-2,807,580,659.33</b>      |
| <b>Cash flow from financing activities</b>                                      |                          |                               |
| Proceeds from investors                                                         | 500,000.00               | 12,691,522.38                 |
| Proceeds from bank borrowings                                                   | 6,503,609,190.49         | 5,368,859,041.09              |
| Cash received from other financing activities                                   | 698,330,712.20           | 813,608,502.21                |
| <b>Cash inflow from financing activities</b>                                    | <b>7,202,439,902.69</b>  | <b>6,195,159,065.68</b>       |
| Repayment of borrowings                                                         | 6,722,944,964.63         | 4,255,022,404.98              |
| Cash payments for interest expenses and distribution of dividends or profits    | 529,777,73.42            | 444.07 3963113.42 42.84 396.6 |