Stock Code: 000020 200020 Public Notice No.: 2025-16

Short Form of the Stock: SHEN HUAFA-A SHEN HUAFA-B

Shenzhen Zhongheng Huafa Co., Ltd.

The Third Quarterly Report for 2025

The Company and whole members of the BOD guarantee that the information disclosed is true, accurate and complete, and there are no any fictitious records, misleading statements or important omissions.

Important content reminder:

1. Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Shenzhen Zhongheng Huafa Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.
2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.
3. Whether the Third Quarterly Report has been audited or not

□Yes √No

I. Main financial data

(i) Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

□Yes √No

	Current period	Increase/decrease in the period compared with the same period of the previous year	Year-begin to period-end	Increase/decrease from year-begin to period-end compared with the same period of the previous year
Operating income (Yuan)	226, 770, 875. 73	14. 48%	682, 950, 220. 46	12. 65%
Net profit attributable to shareholders of the listed company (Yuan)	6, 926, 957. 32	65. 38%	21, 266, 931. 43	49. 31%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (Yuan)	6, 830, 212. 66	88. 03%	17, 685, 823. 95	34. 23%
Net cash flow arising from operating activities (Yuan)	—	—	-44, 676, 025. 37	-268. 21%
Basic earnings per share (Yuan /Share)	0. 0245	65. 29%	0. 0751	49. 30%
Diluted earnings per share (Yuan /Share)	0. 0245	65. 29%	0. 0751	49. 30%
Weighted average ROE	1. 67%	49. 29%	5. 13%	34. 65%
	End of current period	End of previous year	Increase/decrease at the period-end compared with the end of the previous year	
Total assets (Yuan)	753, 231, 361. 36	680, 192, 681. 50	10. 74%	
Net assets attributable to shareholder of listed company (Yuan)	424, 925, 939. 36	403, 659, 007. 93	5. 27%	

(ii) Items and amounts of non-recurring profit (gains)/losses

√ Applicable □ Not applicable

Unit: Yuan

Item	Current Reporting Period Amount	Year-to-date to Report Period End Amount	Explanation

Item	Current Reporting Period Amount	Year-to-date to Report Period End Amount	Explanation
Government subsidies included in current profit/loss (excluding those closely related to normal business, compliant with state policies, granted based on fixed standards, and having a sustained impact)	507,944.91	4,090,206.03	
Gains/Losses from entrusting investments or asset management to others	150,863.61	554,508.88	
Other non-operating income and expenses excluding the above items	7,703.43	130,095.07	
Less: Income tax effect	166,627.99	1,193,702.50	
Total	499,883.96	3,581,107.48	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

□ Applicable √ Not applicable

The Company does not have other gain/loss items that qualified the definition of non-recurring profit (gains)/losses

Explanation on those non-recurring gain/loss listed in the "*Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*" defined as recurring gain/loss

□ Applicable √ Not applicable

The Company does not have the non-recurring gain/loss listed in the "*Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*" defined as recurring gain/loss

II. Shareholders Information

(i) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In Share

Total common shareholders at the end of report period		28, 401	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)			0
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
Wuhan Zhongheng New Science & Technology Industrial Group	Domestic non-state-	42. 13%	119, 289, 894	0	Frozen	119, 289, 894
					Pledged	119, 289, 000

Co., Ltd	owned legal person					
SEG (HONG KONG) CO., LTD.	Overseas legal person	5.85%	16,569,560	0		
YAO MING	domestic natural person	2.79%	7,893,513	0		
GOOD HOPE CORNER INVESTMENTS LTD.	Overseas legal person	2.50%	7,072,000	0		
Changjiang Securities Brokerage (Hongkong) Co., Ltd.	Overseas legal person	1.89%	5,355,249	0		
Guoyuan Securities Brokerage (Hong Kong) Limited	Overseas legal person	1.40%	3,870,117	0		
Li Zhongqiu	Overseas nature person	1.00%	2,830,000	0		
Beijing Tede Saint Private Fundraising management has Limited Company - Ted Saint Investment - Tailai Jingrui Private Equity Securities investment fund	other	0.52%	1,473,700	0		
Shengyin Investment Co., Ltd.	Overseas legal person	0.50%	1,408,600	0		
ICBC limited company - Dacheng Zhongzheng 3 60 Internet+ Big Data 100 Index securities investment Capital Fund	other	0.43%	1,210,300	0		

Particular about top ten shareholders with un-restrict shares held			
Shareholders' name	Amount of un-restrict shares held at Period-end	Type of shares	
		Type	Amount
Wuhan Zhongheng New Science & Technology Industrial Group Co., Ltd	119,289,894	RMB common share	119,289,894
SEG (HONG KONG) CO., LTD.	16,569,560	Domestically listed foreign shares	16,569,560
YAO MING	7,893,513	Domestically listed foreign shares	7,072,000
GOOD HOPE CORNER INVESTMENTS LTD.	7,072,000	Domestically listed foreign shares	5,355,249
Changjiang Securities Brokerage (Hongkong) Co., Ltd.	5,355,249	Domestically listed foreign shares	3,870,117
Guoyuan Securities Brokerage (Hong Kong) Limited	3,870,117	Domestically listed foreign shares	2,830,000
Li Zhongqiu	2,830,000	Domestically listed foreign shares	2,111,019
Beijing Tede Saint Private Fundraising management has Limited Company - Ted Saint Investment - Tailai	1,473,700	RMB common share	1,788,005

Jingrui Private Equity Securities investment fund			
Shengyin Investment Co., Ltd.	1,408,600	Domestically listed foreign shares	1,408,600
ICBC limited company - Dacheng Zhongzheng 360 Internet+ Big Data 100 Index securities investment Capital Fund	1,210,300	RMB common share	1,134,400
Explanation on associated relationship among the aforesaid shareholders	Among the top ten shareholders, Li Zhongqiu is the actual controller of Wuhan Zhongheng New Science & Technology Industrial Group Co., Ltd. and is a party acting in concert. Shengyin Investment Co., Ltd. is an overseas wholly-owned subsidiary of Wuhan Zhongheng group.The Company neither knew whether there exists associated relationship among the other shareholders, nor they belong to consistent actors that are prescribed in Measures for the Administration of Disclosure of Shareholder Equity Changes of Listed Companies.		
Description of the above shareholders in relation to delegate/entrusted voting rights and abstention from voting rights.	N/A		

(ii) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

□ Applicable √ Not applicable

III. Explanation on other significant events

√ Applicable □ Not applicable

(1) The Company signed Asset Exchange Contract with Wuhan Zhongheng New Science & Technology Industrial Group Co., Ltd (hereinafter referred to as Wuhan Zhongheng Group) on 29 April 2009 (details were referred to in the announcement dated 30 April 2009), and pursuant to the contract, since part of the assets of the Company (namely two parcel of industrial lands located at Huafa road, Gongming town, Guangming new district, Shenzhen (the property certificate No. were SFDZ No.7226760 and SFDZ No.7226763, No. of parcels were A627-005 andA627-007, and the aggregate area was 48,200 sq.m) were the lands listed in the first batch of plan for 2010 Shenzhen urbanization unit planning preparation plan. For promotion of such urbanization project and joint cooperation, the Company has not completed the transfer procedures in respect of the aforesaid land.

The Company convoked the first extraordinary meeting of the Board in 2015 on February 16, 2015 and the first extraordinary general meeting of the Board in 2015 on March 4, 2015, which considered and approved the "Motion on promoting and implementing the urban renewal project for the renewal units of Huafa area at Gongming street, Guangming new district, Shenzhen", specified that the Company and Wuhan Zhongheng Group shall obtain the corresponding compensatory consideration for removal from the respectively owned project plots and the respectively contributed and constructed above-ground buildings before the land development, it is estimated that the compensatory consideration obtained by the Company accounts for 50.5% of the total consideration and Wuhan Zhongheng Group accounts for 49.5% by calculation.

The sixth extraordinary meeting of the board of directors in 2015 and the third extraordinary general meeting of 2015 have considered and adopted the "Proposal on the project promotion and implementation of urban renewal and the progress of related transactions of 'the updated units at Huafa Area, Gong Ming Street, Guangming New District, Shenzhen'", the company has signed the "Agreement on the cooperation of urban renewal project of the updated units at Huafa Area, Gong Ming Street, Guangming New District, Shenzhen", "Contract for the cooperative venture of reconstruction project for Huafa Industrial Park, Gong Ming Street, Guangming New District" on 26 August 2015, and "Agreement on housing acquisition and removal compensation and resettlement" with Wuhan Wuhan Zhongheng Group, Shenzhen Vanke Real Estate Co., Ltd. (hereinafter referred to as "Shenzhen Vanke"), and Shenzhen Vanke Guangming Real Estate Development Co., Ltd. (hereinafter referred to as "Vanke Guangming").

On 12 September 2016, Shenzhen Vanke applied for arbitration in respect of "Agreement on the cooperation of urban renewal project of the updated units at Huafa Area, Gong Ming Street, Guangming New District, Shenzhen" against the Company and Wuhan Zhongheng Group. Shenzhen Court of International Arbitration (SCIA) has given a ruling in August 2017. On August 29, 2018, the court accepted the compulsory execution application of Shenzhen Vanke. In October 2019, as a number of outsiders filed an "execution objection" and applied for "no execution" to Shenzhen Intermediate People's Court, the Shenzhen Intermediate People's Court ruled to terminate the enforcement procedure on March 20, 2020. If the "execution objection" and "no execution" proposed by outsiders are rejected according to law, Shenzhen Vanke may continue to apply to the Shenzhen Intermediate People's Court to resume execution.

In April 2020, Zhongheng Semiconductor sued the company to Shenzhen Intermediate People's Court, and requested the company to transfer the above mentioned two pieces of lands and compensate the economic loss of 52 million yuan, the first and second trial judgments reject the Semiconductor's appeal; Zhongheng Semiconductor sued the Company and the invalid of "Agreement on the cooperation of urban renewal project of the updated units at Huafa Area, Gong Ming Street, Guangming New District, Shenzhen" signed by Wuhan Zhongheng Group Company and Vanke, the second trial rejects all claims of Zhongheng Semiconductor. Progress of the case found more in the Notices released on Juchao website dated 14 Sept. 2016, 1 Nov. 2016, 16 Nov. 2016, on 18 Feb. 2017, 24 March 2017, 25 April 2017, 1 July 2017, 18 August 2017, 9 Feb. 2018, 25 Aug. 2018, 7 Sept. 2018, 21 Apr. 2020, 3 Jun, 2021, 22 Jul. 2021 and Mar. 5, 2022 respectively.

(2) On 31 December 2015, the 88,750,047 shares held by Wuhan Zhongheng Group, are pledge to China Merchants Securities Assets Co., Ltd. with due date of 31 December 2016. On 1 Feb. 2016, Wuhan Zhongheng

Group pledge the 27,349,953 shares held to China Merchants Securities Assets Co., Ltd. with due date of 31 December 2016. The above-mentioned pledged shares are deferred by Wuhan Zhongheng Group; pledge expired on 31 December 2017. The trading day for repurchase put off to the date when pledge actually removed. Till end of this period released, controlling shareholder still not removed the pledge and the Company has apply by letter, relevant Notice of Presentment on Stock Pledge from Controlling Shareholder was released. Found more in notice released on Juchao website date 2 Feb. 2018.

In March 2021, Wuhan Zhongheng Group received the judgment on case of “pledged securities repurchase dispute” brought by China Merchants Securities Assets Management Co., Ltd from High People’s Court of Guangdong Province. Wuhan Zhongheng Group appealed to the Supreme People’s Court against the decision. Found more in notice released on Juchao Website dated March 19, 2021.

(3) The controlling shareholder Wuhan Zhongheng Group holds 119,289,894 shares of the Company’ stock, accounting for 42.13% of the total share capital of the Company, of which 116,489,894 shares were judicially frozen by Shenzhen Intermediate People's Court (hereinafter referred to as "Shenzhen Intermediate Court") on September 27, 2016, which were frozen again by the Shenzhen Intermediate People's Court on December 14, 2018, with a frozen period of 36 months; the remaining 2,800,000 shares were frozen by the Shenzhen Intermediate People's Court on May 29, 2019, and were frozen again by the Higher People’s Court of Guangdong Province on July 5, 2019. For details, please refer to the company’s announcements published on Juchao Website dated October 27, 2016, January 11, 2019, May 31, 2019 and August 7, 2019.

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate balance sheet

Prepared by Shenzhen Zhongheng Huafa Co., Ltd.

Unit: Yuan

Item	September 30, 2021	December 31, 2020
Current assets:		
Monetary fund	147, 761, 130. 11	203, 169, 481. 08
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Note receivable	9, 444, 993. 22	7, 492, 500. 00
Account receivable	229, 546, 447. 19	137, 308, 706. 33
Receivable financing	5, 029. 83	0. 00
Accounts paid in advance	43, 494, 930. 86	12, 914, 673. 96
Insurance receivable		
Reinsurance receivables		

Contract reserve of reinsurance receivable		
Other account receivable	2,246,295.16	2,828,023.20
Including: Interest receivable	147,761,130.11	203,169,481.08
Dividend receivable		
Buying back the sale of financial assets		
Inventories		
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	5,102,765.07	7,317,692.75
Total current assets	508,298,094.00	429,695,587.90
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment		
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate	39,553,079.89	40,849,327.59
Fixed assets	161,321,496.32	163,832,355.78
Construction in progress		
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	32,832,725.26	34,118,614.02
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	232,337.51	312,762.05
Deferred income tax asset	9,726,778.38	9,780,562.38
Other non-current asset	1,266,850.00	1,603,471.78
Total non-current asset	244,933,267.36	250,497,093.60
Total assets	753,231,361.36	680,192,681.50
Current liabilities:		
Short-term loans		
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable	80,083,746.84	89,759,131.93
Account payable	156,072,433.33	113,419,533.44
Accounts received in advance	168,321.19	1,033,567.60
Contractual liability		
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	4,960,155.60	9,075,932.81
Taxes payable	12,290,239.37	12,565,042.47
Other account payable	48,582,084.20	36,343,500.49
Including: Interest payable		

Dividend payable		
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities	20, 713, 196. 47	8, 543, 159. 83
Total current liabilities	322, 870, 177. 00	270, 739, 868. 57
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long-term wages payable		
Accrual liability	3, 662, 485. 00	3, 662, 485. 00
Deferred income	1, 772, 760. 00	2, 131, 320. 00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	5, 435, 245. 00	5, 793, 805. 00
Total liabilities	328, 305, 422. 00	276, 533, 673. 57
Owner's equity:		
Share capital	283, 161, 227. 00	283, 161, 227. 00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	146, 577, 771. 50	146, 577, 771. 50
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	77, 391, 593. 25	77, 391, 593. 25
Provision of general risk		
Retained profit	-82, 204, 652. 39	-103, 471, 583. 82
Total owner' s equity attributable to parent company	424, 925, 939. 36	403, 659, 007. 93
Minority interests		
Total owner' s equity	424, 925, 939. 36	403, 659, 007. 93
Total liabilities and owner' s equity	753, 231, 361. 36	680, 192, 681. 50

Legal Representative: Li Zhongqiu

Person in charge of accounting works: Cao Li

Person in charge of accounting institute: Li Yan

2. Consolidated Profit Statement (from the year-begin to the period-end)

Unit: Yuan

Item	Current period	Last period
I. Total operating income	682, 950, 220. 46	606, 267, 906. 59

Including: Operating income	682, 950, 220. 46	606, 267, 906. 59
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	661, 952, 590. 78	589, 697, 107. 23
Including: Operating cost	599, 238, 313. 82	533, 563, 290. 00
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	3, 034, 448. 77	2, 829, 407. 41
Sales expense	22, 031, 245. 89	18, 665, 947. 32
Administrative expense	26, 844, 675. 09	26, 382, 339. 46
R&D expense	11, 702, 664. 62	9, 164, 232. 41
Financial expense	-898, 757. 41	-908, 109. 37
Including: Interest expenses	-35. 38	0. 00
Interest income	1, 243, 736. 39	606, 530. 67
Add: other income	4, 090, 206. 03	456, 549. 95
Investment income (Loss is listed with “-”)	554, 508. 88	507, 795. 06
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)		
Losses of devaluation of asset (Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)		29, 841. 52
III. Operating profit (Loss is listed with “-”)	25, 642, 344. 59	17, 564, 985. 89
Add: Non-operating income	130, 095. 07	292, 473. 64
Less: Non-operating expense	118, 554. 55	5, 069. 97
IV. Total profit (Loss is listed with “-”)	25, 653, 885. 11	17, 852, 389. 56
Less: Income tax expense	4, 386, 953. 68	3, 609, 339. 15
V. Net profit (Net loss is listed with “-”)	21, 266, 931. 43	14, 243, 050. 41
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with ‘-”)		
2.termination of net profit (net loss listed with ‘-”)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	21, 266, 931. 43	14, 243, 050. 41

2.Minority shareholders' gains and losses		
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	21, 266, 931. 43	14, 243, 050. 41
Total comprehensive income attributable to owners of parent Company	21, 266, 931. 43	14, 243, 050. 41
Total comprehensive income attributable to minority shareholders		
VIII. Earnings per share:		
(i) Basic earnings per share	0. 0751	0. 0503
(ii) Diluted earnings per share	0. 0751	0. 0503

Enterprise combine under the same control in the Period, the combined party realized net profit of 0.00 Yuan before combination, and realized 0.00 Yuan at last period for combined party

Legal Representative: Li Zhongqiu

Person in charge of accounting works: Cao Li

Person in charge of accounting institute: Li Yan

3. Consolidated Cash Flow Statement (from the year-begin to the period-end)

Unit: Yuan

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	608,762,225.37	583,441,933.58
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	5,963,591.92	2,076,000.74
Other cash received concerning operating activities	27,430,971.04	3,142,254.16
Subtotal of cash inflow arising from operating activities	642,156,788.33	588,660,188.48
Cash paid for purchasing commodities and receiving labor service	586,372,676.34	487,454,396.93
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	43,800,591.31	40,334,587.47
Taxes paid	9,657,292.61	9,217,317.13
Other cash paid concerning operating activities	47,002,253.44	63,787,071.07
Subtotal of cash outflow arising from operating activities	686,832,813.70	600,793,372.60
Net cash flows arising from operating activities	-44,676,025.37	-12,133,184.12
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income	554,508.88	507,795.06
Net cash received from disposal of fixed, intangible and other long-term assets		419,710.21
Net cash received from disposal of		

subsidiaries and other units		
Other cash received concerning investing activities	305,000,000.00	205,000,000.00
Subtotal of cash inflow from investing activities	305,554,508.88	205,927,505.27
Cash paid for purchasing fixed, intangible and other long-term assets	1,989,091.80	2,786,994.60
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	305,000,000.00	205,000,000.00
Subtotal of cash outflow from investing activities	306,989,091.80	207,786,994.60
Net cash flows arising from investing activities	-1,434,582.92	-1,859,489.33
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		
Net cash flows arising from financing activities		
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	378,230.51	170,384.77
V. Net increase of cash and cash equivalents	-45,732,377.78	-13,822,288.68
Add: Balance of cash and cash equivalents at the period-begin	113,151,528.93	73,014,739.63
VI. Balance of cash and cash equivalents at the period-end	67,419,151.15	59,192,450.95

(iii) Audit report

Whether the 3rd quarterly report has been audited or not

□Yes √ No

The 3rd quarterly report of the Company has not been audited.

Board of Directors of

Shenzhen Zhongheng Huafa Co., Ltd.

October 23, 2025