

Stock Exchange Code: 002415

Abbreviation of Securities: Hikvision

No: 2023-036

Hangzhou Hikvision Digital Technology Co., Ltd.**2023 3rd Quarter Report**

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

Important Content Notes:

1. The Board of Directors, Board of Supervisors, directors, supervisors and senior management of Hangzhou Hikvision Digital Technology Co., Ltd. (hereinafter referred to as the "Company") hereby guarantee that the information presented in this report shall be together be wholly liable for the truthfulness, accuracy and completeness of its contents and free of any false records, misleading statements or material omissions, and will undertake individual and joint legal liabilities.
2. Chen Zongnian, the Company's legal representative, Jin Yan, the person in charge of the accounting work, and Zhan Junhua, the person in charge of accounting institution (accounting supervisor) hereby declare and warrant that the financial information in this report is authentic, accurate, and complete.
3. Whether the 3rd quarter report has been audited

 Yes No

I. Key Financial Data

1. Key Accounting Data and Financial Indicators

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

Yes No

Reasons for retroactive adjustment or restatement of the previous accounting data

Changes in accounting policies

Unit: RMB

	2023 Q3	2022 Q3		YoY Change(%) between 2023 Q3 and 2022 Q3	2023 Q1~Q3	2022 Q1~Q3		YoY Change(%) between 2023 Q1~Q3 and 2022 Q1~Q3
		Before the adjustment	After the adjustment	After the adjustment		Before the adjustment	After the adjustment	After the adjustment
Revenue (RMB)	23,704,377,795.74	22,464,020,301.15	22,464,020,301.15	5.52%	61,275,164,193.63	59,721,536,891.77	59,721,536,891.77	2.60%
Net profit attributable to shareholders of the Company (RMB)	3,513,299,100.33	3,081,001,112.19	3,081,936,227.11	14.00%	8,851,167,117.21	8,840,255,887.45	8,840,604,273.67	0.12%
Net profit attributable to shareholders of the Company excluding non- recurring gains and losses (RMB)	3,425,870,315.02	2,879,656,597.51	2,880,591,712.43	18.93%	8,461,998,947.98	8,525,515,615.02	8,525,864,001.24	-0.75%
Net cash flows from operating activities (RMB)	—	—	—	—	5,913,853,480.95	160,117,141.04	160,117,141.04	3593.45%
Basic earnings per share (RMB/share)	0.381	0.331	0.331	15.11%	0.949	0.938	0.938	1.17%
Diluted earnings per share	0.380	0.331	0.331	14.80%	0.949	0.938	0.938	1.17%

(RMB/share)								
Weighted average ROE	5.05%	4.84%	4.84%	0.21%	12.59%	13.64%	13.64%	-1.05%
	On September 30, 2023	On December 31, 2022				Change(%) between December 31, 2022 and September 30, 2023		
		Before the adjustment		After the adjustment		After the adjustment		
Total assets (RMB)	127,457,393,562.08	119,233,282,761.47		119,234,602,968.11		6.90%		
Net assets attributable to shareholders of the Company (RMB)	71,512,727,362.29	68,389,154,548.76		68,388,671,139.78		4.57%		

Reasons for changes in accounting policies and situations of correction of accounting errors

Note:

The Ministry of Finance issued the Interpretation No. 16 of Accounting Standards for Business Enterprises (the "Interpretation No. 16") on November 30, 2022. The scope of the initial recognition exemption for deferred income tax in the Accounting Standards for Business Enterprises No. 18-Income Tax was revised. Making it clear that the provisions on exemption of initial recognition of deferred income tax liabilities and deferred income tax assets in Accounting Standards for Business Enterprises No. 18-Income Taxes do not apply to single transactions that are not business combinations and do not affect either accounting profit or taxable income (or deductible losses) at the time of the transactions, nor do such provisions apply to single transactions whose assets and liabilities initially recognized result in equal taxable temporary differences and deductible temporary differences. This provision is effective as of January 1, 2023 and earlier application is permitted. The Group implemented this requirement from January 1, 2023, and accounted for individual transactions between the beginning of the earliest period in which the financial statements are presented and December 31, 2022 using the retrospective adjustment method, and restated the financial statements for the comparative period.

The total share capital of the Company as of the previous trading day of the financial report disclosure:

The total share capital of the Company as of the previous trading day of the financial report disclosure (share)	9,330,600,931
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Fully diluted earnings per share calculated using the latest share capital:

Fully diluted earnings per share (RMB/share) calculated with the latest share capital	0.949
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2. Items and Amounts of Non-recurring Gains and Losses

Applicable Inapplicable

Unit: RMB

Item	Amount occurred in the current reporting period (2023 Q3)	January 1, 2023–September 30, 2023
Profit or loss from disposal of non-current assets (including the write-off for the impairment provision of assets)	-9,430,072.63	-12,656,820.35
Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the Company's regular business operations, comply with national policies, and those that are continuously enjoyed in accordance with a certain standard fixed or quantitative basis)	136,101,654.70	381,206,012.59
Profits and losses attributed to change in fair value for held-for-trading financial assets and held-for-trading financial liabilities; and investment income from disposal of held for-trading financial assets, held-for-trading financial liabilities, and available-for-sale financial assets, excluding the effective hedging business related to the regular business operation of the Company.	542,193.75	-16,295,272.07
The profit and loss of business combination under different control realized in stages by multiple transactions	-	116,433,610.45
Other non-operating income and expenditures except the items mentioned above	14,083,115.40	64,577,632.01
Less: Impact of income tax	27,232,345.35	56,910,041.17
Impact of the minority interests (after tax)	26,635,760.56	87,186,952.23
Total	87,428,785.31	389,168,169.23

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

Applicable Inapplicable

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

Explanations on classifying any non-recurring gain/loss item mentioned in the <Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-recurring Gains and Losses> as recurring gain/loss item.

Applicable Inapplicable

The Company does not classify any non-recurring gain/loss item mentioned in the <Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-recurring Gains and Losses> as recurring gain/loss item.

3. Information and Explanation about Variations in Key Accounting Data and Financial Indicators

√Applicable □Inapplicable

3.1 Explanation for variations in balance sheet items

Item	Balance on September 30, 2023 (RMB)	Balance on December 31, 2022 (RMB)	Change (%)	Note of Changes
Held-for-trading financial assets	23,469,021.18	12,807,438.36	83.25%	Due to fluctuation in foreign exchange rate and decrease in the scale of foreign exchange hedging business
Held-for-trading financial liabilities	4,181,387.92	68,299,685.57	-93.88%	
Prepayments	1,176,737,421.25	534,780,120.52	120.04%	Due to increase in prepayment for lock in part of raw material
Other receivables	807,450,237.15	516,503,485.58	56.33%	Increase in tax refunds receivable and etc.
Contract assets	1,154,739,956.62	2,118,223,370.98	-45.49%	Part of the construction works that meet the conditions for collection are transferred to accounts receivable
Goodwill	397,053,077.36	217,386,531.28	82.65%	Goodwill arising from the acquisition of Wuhu Sensortech Intelligent Technology Ltd.
Notes payable	635,917,745.45	1,207,756,963.94	-47.35%	Decrease in notes settlement
Taxes payable	1,844,339,050.35	1,234,032,138.37	49.46%	Increase in quarterly corporate income tax payable
Non-current liabilities due within one year	5,033,280,741.55	868,197,272.46	479.74%	Increase in demands for long-term working capital
Long-term borrowings	9,251,855,308.30	7,522,315,341.60	22.99%	
Other current liabilities	1,451,039,846.11	923,721,593.78	57.09%	The repurchase of public outstanding shares and the completion of cancellation of the third batch of 2018 Restricted Stock Plan
Other non-current liabilities	1,669,822,285.01	2,831,108,087.59	-41.02%	
Capital reserves	8,312,925,536.12	10,141,153,435.32	-18.03%	
Treasury shares	2,737,987,226.55	5,316,033,650.24	-48.50%	Increase in differences of foreign currency statement translation due to fluctuations of exchange rate
Other comprehensive income	12,228,192.69	-42,587,158.81	128.71%	

3.2 Explanation for variations in income statement items

Items	2023 Q1 ~ 2023 Q3 (RMB)	2022 Q1 ~ 2022 Q3 (RMB)	YoY Change (%)	Note of changes
Business taxes and surcharges	526,331,975.20	404,250,604.06	30.20%	Increase in additional taxes caused by increase in the VAT credit
Financial expenses	-438,125,633.70	-937,194,664.41	53.25%	Decrease in foreign exchange gains
Investment income	39,763,080.90	166,250,594.06	-76.08%	Decrease in investment income in joint ventures and associates and decrease in trading gains from foreign exchange hedging business
Gains from changes in fair value	83,987,239.15	-69,558,120.87	220.74%	Increase in gains from changes in fair value in foreign exchange hedging business

3.3 Explanation for variations in cash flow statement items

Item	2023 Q1 ~ 2023 Q3 (RMB)	2022 Q1 ~ 2022 Q3 (RMB)	YoY Change (%)	Note of changes
Net cash flows from operating activities	5,913,853,480.95	160,117,141.04	3593.45%	Increase in inventory purchases
Net cash flows from investing activities	-3,439,635,132.46	-2,623,081,074.94	-31.13%	Increased in investment on the construction of industrial parks

II. Shareholder Information

1. Number of Common Shareholders and Preferred Shareholders with Resumed Voting Rights and Information about Top 10 Shareholders

Unit: Share

Total number of common shareholders at the end of the reporting period	354,629	Total number of preferred shareholders (if any) whose voting rights have been recovered at the end of the reporting period (if any)	0			
Particulars about top 10 shareholders						
Name of shareholder	Nature of shareholder	Share-holding percentage (%)	Total shares held at the period-end	The number of common shares held with trading restrictions	Pledged, marked or frozen	
					Status	Amount
China Electronics Technology HIK Group Co., Ltd.	Domestic State-owned corporation	36.48%	3,403,879,509	-	Pledged	50,000,000
Gong Hongjia	Overseas individual	10.32%	962,504,814	-	Pledged	153,026,700
Hangzhou Weixun Equity Investment Partnership (Limited Partnership)	Domestic non-state-owned corporation	4.83%	450,795,176	-	Pledged	18,900,000
Shanghai Perseverance Asset Management Partnership (Limited Partnership) - Perseverance Adjacent Mountain 1 Yuanwang Fund	Other	4.66%	435,000,000	-	-	-
CETC Investment Holdings Co., Ltd.	Domestic State-owned corporation	2.49%	232,307,903	-	-	-
Hangzhou Pukang Equity Investment Partnership (Limited Partnership)	Domestic non-state-owned corporation	1.96%	182,510,174	-	Pledged	48,300,000
The 52 nd Research Institute at China Electronics Technology Group Co. Ltd.	Domestic State-owned corporation	1.94%	180,775,044	-	-	-
Hu Yangzhong	Domestic Individual	1.67%	155,636,477	116,727,358	-	-
Central Huijin Investment Co., Ltd.	Domestic State-owned corporation	0.69%	64,700,691	-	-	-
Hong Kong Securities Clearing Company Ltd.(HKSCC)	Overseas corporation	0.50%	47,002,201	-	-	-
Particulars about shares held by the Top 10 common shareholders holding shares that are not subject to trading restriction(s)						
Name of shareholder	Number of common shares without trading restrictions held at the period-end	Type of shares				
		Type	Number			
China Electronics Technology HIK Group Co., Ltd.	3,403,879,509	RMB common shares	3,403,879,509			
Gong Hongjia	962,504,814	RMB common shares	962,504,814			

Hangzhou Weixun Equity Investment Partnership (Limited Partnership)	450,795,176	RMB common shares	450,795,176
Shanghai Perseverance Asset Management Partnership (Limited Partnership) - Perseverance Adjacent Mountain 1 Yuanwang Fund	435,000,000	RMB common shares	435,000,000
CETC Investment Holdings Co., Ltd	232,307,903	RMB common shares	232,307,903
Hangzhou Pukang Equity Investment Partnership (Limited Partnership)	182,510,174	RMB common shares	182,510,174
The 52 nd Research Institute at China Electronics Technology Group Co. Ltd	180,775,044	RMB common shares	180,775,044
Central Huijin Investment Co., Ltd.	64,700,691	RMB common shares	64,700,691
Hong Kong Securities Clearing Company Ltd.(HKSCC)	47,002,201	RMB common shares	47,002,201
Hu Yangzhong	38,909,119	RMB common shares	38,909,119
Explanation on associated relationship and concerted actions among above shareholders	<p>China Electronics Technology HIK Group Co., Ltd., CETC Investment Holdings Co., Ltd. and The 52nd Research Institute at China Electronics Technology Group Co., Ltd. are all subject to control of China Electronics Technology Group Co. Ltd. Ms. Chen Chunmei, limited partner of Hangzhou Pukang Equity Investment Partnership (Limited Partnership), is the spouse of Mr. Gong Hongjia, overseas individual shareholder of the Company. Hu Yangzhong, domestic individual, is holding shares in both Hangzhou Weixun Equity Investment Partnership (Limited Partnership) and Hangzhou Pukang Equity Investment Partnership (Limited Partnership). Except for these, the Company does not know whether the other shareholders are related parties or whether they are acting-in-concert parties in accordance with the <i>Administration of the Takeover of Listed Companies Procedures</i>.</p>		

2. Total Number of Preferred Shareholders and Information about Top 10 Preferred Shareholders

Applicable Inapplicable

III. Significant Events

Applicable Inapplicable

1. During the reporting period, the Company completed the third repurchase and cancellation of the 2018 Restricted Stock Plan.

On April 13, 2023 and May 9, 2023, the 17th meeting of the 5th session of the Board of Directors, the 15th meeting of the 5th session of the Board of Supervisors and 2022 Annual General Meeting reviewed and approved *the Proposal of Unlocking Conditions for the Third Unlocking Period of the 2018 Restricted Plan were not Meet and the Proposal of the Repurchase of Restricted Shares that have been Granted but not yet Unlocked*. As the Company performance did not meet the unlocking conditions for the third unlocking period of the *2018 Restricted Stock Plan (Revised Draft)*, 33,331,858 restricted shares granted but not unlocked in the current period for all grantees of the 2018 Restricted Stock Plan were repurchased and cancelled. And the Company had completed the cancellation procedures for the above shares at the Shenzhen branch of China Securities Depository and Clearing Ltd. on July 5, 2023.

For details, please refer to *The Proposal of Unlocking Conditions for the Third Unlocking Period of the 2018 Restricted Plan were not Meet and The Proposal of the Repurchase of Restricted Shares that have been Granted but not yet Unlocked (2023-021)* published by the Company on www.cninfo.com.cn on April 15, 2023 and *The Proposal of the Completed Cancellation of the Restricted Shares that have been Granted but not yet Unlocked for the Third Unlocking Period of the 2018 Restricted Plan (2023-028)* published by the Company on www.cninfo.com.cn on July 7, 2023.

As of the end of the current reporting period, the Company has a total of 97,402,605 granted but unvested shares, accounting for 1.04% of the Company's total share capital at the end of the reporting period.

2. Matters relating to steady promotion of the spin-off of HikRobot to be listed on the SZSE ChiNext Market

On March 7, 2023, Hangzhou Hikrobot Co., Ltd. (hereinafter referred to as "HikRobot") received *Notice on Accepting the Application Documents for the Initial Public Offering of Shares and Listing on the SZSE ChiNext Market of Hangzhou Hikrobot Co., Ltd.* (SZSE Listing Review [2023] No. 252) issued by Shenzhen Stock Exchange,

and SZSE considered that application documents were completed and decided to accept. For details, please refer to the *Announcement on the Application for the Initial Public Offering of Shares and Listing on the SZSE ChiNext Market of Hangzhou Hikrobot Co., Ltd., a Subsidiary of the Company, is Accepted by the SZSE* (Announcement No.: 2023-008) published by the Company on cninfo website (www.cninfo.com.cn) on March 8, 2023. Shenzhen Stock Exchange issued the *Inquiry Letter on the Review of Application Documents for the Initial Public Share Offering of Shares and Listing on the SZSE ChiNext Market of Hangzhou Hikrobot Co., Ltd.* (Inquiry Letter (2023) No. 010121) on March 30, 2023, and HikRobot has submitted the *Reply to the Inquiry Letter on the Review of Application Documents for the Initial Public Share Offering of Shares and Listing on the SZSE ChiNext Market of Hangzhou Hikrobot Co., Ltd.* on May 17, 2023. Shenzhen Stock Exchange issued the *Second Inquiry Letter on the Review of Application Documents for the Initial Public Share Offering of Shares and Listing on the SZSE ChiNext Market of Hangzhou Hikrobot Co., Ltd.* (Inquiry Letter (2023) No. 010218) on June 30, 2023, and HikRobot has submitted the *Reply to the Second Inquiry Letter on the Review of Application Documents for the Initial Public Share Offering of Shares and Listing on the SZSE ChiNext Market of Hangzhou Hikrobot Co., Ltd.* on July 27, 2023.

3. The Company's controlling shareholder disclosed its plan to increase its shareholding in the Company

The Company received a notice from China Electronics Technology HIK Group Co., Ltd. (hereinafter referred to as "CETHIK"), the Company's controlling shareholder, on October 16, 2023 that CETHIK intends to increase its shareholdings of the Company's shares through the trading system of the Shenzhen Stock Exchange through centralized bidding, block trading or other trading methods permitted by laws and regulations within 6 months from October 17, 2023. The total amount of the increased shareholdings will not be less than RMB200 million and not more than RMB300 million, and the proposed price of increased shareholdings shall not be higher than RMB40 per share (inclusive). The plan of increase shareholding will be implemented at the opportunity with the consideration of the fluctuation of Hikvision's stock price and the overall trend of the capital market. The Company will continue to pay attention to the relevant situation of this plan of increase shareholding in accordance with the *Rules for the Listing of Stocks on the Shenzhen Stock Exchange* and other relevant regulations, and fulfill its information disclosure obligations in a timely manner. For details, please refer to the *Announcement on the Company's Controlling Shareholders' Plan to Increase the Company's Shareholding (2023-033)* published by the Company on www.cninfo.com.cn on October 17, 2023.

IV. Quarterly Financial Reports

1. Financial Statements

1.1 Consolidated balance sheet

Unit: RMB

Item	September 30, 2023	December 31, 2022
Current Assets:		
Cash and bank balances	39,977,862,822.26	40,011,863,999.94
Held-for-trading financial assets	23,469,021.18	12,807,438.36
Notes receivable	2,121,463,259.43	2,519,988,159.23
Accounts receivable	35,040,102,719.68	29,906,294,410.40
Receivables for financing	1,336,187,223.27	1,484,218,258.74
Prepayments	1,176,737,421.25	534,780,120.52
Other receivables	807,450,237.15	516,503,485.58
Inventories	19,363,488,485.66	18,998,222,978.81
Contract assets	1,154,739,956.62	2,118,223,370.98
Non-current assets due within one year	1,230,559,088.32	996,902,343.27
Other current assets	931,026,501.20	806,832,941.58
Total Current Assets	103,163,086,736.02	97,906,637,507.41
Non-current Assets:		
Long-term receivables	606,725,980.62	540,647,965.30
Long-term equity investment	1,126,759,863.53	1,252,033,513.41
Other non-current financial assets	476,162,910.62	423,893,239.94
Fixed assets	10,433,152,020.09	8,539,842,630.68
Construction in progress	4,377,080,137.56	3,770,803,300.80
Right-of-use assets	532,980,822.86	574,478,326.31
Intangible assets	1,586,649,264.40	1,544,933,502.19
Goodwill	397,053,077.36	217,386,531.28
Long-term deferred expenses	181,447,230.64	177,277,742.41
Deferred tax assets	1,693,530,982.33	1,470,966,695.68
Other non-current assets	2,882,764,536.05	2,815,702,012.70
Total Non-current Assets	24,294,306,826.06	21,327,965,460.70
Total Assets	127,457,393,562.08	119,234,602,968.11
Current Liabilities:		
Short-term borrowings	2,921,132,464.29	3,343,071,972.89
Held-for-trading financial liabilities	4,181,387.92	68,299,685.57
Notes payable	635,917,745.45	1,207,756,963.94
Accounts payable	15,276,807,817.90	16,025,563,802.99

Item	September 30, 2023	December 31, 2022
Contract liabilities	3,094,814,814.71	2,644,496,508.36
Payroll payable	4,382,570,861.70	4,837,302,455.95
Taxes payable	1,844,339,050.35	1,234,032,138.37
Other payables	3,601,311,665.99	3,203,308,686.31
Non-current liabilities due within one year	5,033,280,741.55	868,197,272.46
Other current liabilities	1,451,039,846.11	923,721,593.78
Total Current Liabilities	38,245,396,395.97	34,355,751,080.62
Non-current Liabilities:		
Long-term borrowings	9,251,855,308.30	7,522,315,341.60
Lease liabilities	278,314,201.74	277,255,924.83
Long-term payables	5,967,794.23	7,569,934.67
Provisions	216,105,842.16	219,365,227.62
Deferred income	877,399,488.02	933,260,426.12
Deferred tax liabilities	121,685,829.78	117,340,377.75
Other non-current liabilities	1,669,822,285.01	2,831,108,087.59
Total Non-current liabilities	12,421,150,749.24	11,908,215,320.18
Total Liabilities	50,666,547,145.21	46,263,966,400.80
Owners' Equity		
Share capital	9,330,600,931.00	9,430,920,624.00
Capital reserves	8,312,925,536.12	10,141,153,435.32
Less: Treasury shares	2,737,987,226.55	5,316,033,650.24
Other comprehensive income	12,228,192.69	(42,587,158.81)
Surplus reserves	4,715,460,312.00	4,715,460,312.00
Retained earnings	51,879,499,617.03	49,459,757,577.51
Total owners' equity attributable to owner of the Company	71,512,727,362.29	68,388,671,139.78
Minority equity	5,278,119,054.58	4,581,965,427.53
Total Owners' Equity	76,790,846,416.87	72,970,636,567.31
Total Liabilities and Owners' Equity	127,457,393,562.08	119,234,602,968.11

Legal Representative: Chen Zongnian Person in Charge of the Accounting work: Jin Yan

Person in Charge of Accounting Institution: Zhan Junhua

1.2 Consolidated income statement from the beginning of the year to the end of the reporting period

Unit: RMB

Item	2023 Q1~Q3	2022 Q1~Q3
I. Revenue	61,275,164,193.63	59,721,536,891.77
II. Total Operating Costs	51,800,457,295.98	50,291,034,361.47
Less: Cost of sales and services	33,792,365,273.38	34,428,422,516.36
Business taxes and surcharges	526,331,975.20	404,250,604.06
Selling expenses	7,702,706,183.02	7,105,121,639.99
Administrative expenses	2,044,153,100.82	1,934,338,028.12
Research and development (R&D) expenses	8,173,026,397.26	7,356,096,237.35
Financial expenses	(438,125,633.70)	(937,194,664.41)
Including: Interest expenses	327,860,614.56	221,677,391.74
Interest income	705,753,970.45	654,737,093.34
Add: Other income	1,695,250,235.38	1,648,453,505.94
Investment income (loss"-")	39,763,080.90	166,250,594.06
Including: Investment gains (losses) in associated enterprise and joint-venture enterprise	(42,311,858.66)	20,851,979.61
Gains (loss"-") from changes in fair values	83,987,239.15	(69,558,120.87)
Credit impairment losses ("-")	(541,104,768.19)	(478,935,914.07)
Impairment losses ("-") of assets	(269,035,009.89)	(238,371,890.55)
Asset disposal income (loss"-")	(12,073,109.46)	(10,541,208.42)
III. Operating Profit (loss"-")	10,471,494,565.54	10,447,799,496.39
Add: Non-operating income	76,153,790.31	75,058,667.75
Less: Non-operating expenses	13,606,755.97	11,756,007.04
IV. Total Profit (loss"-")	10,534,041,599.88	10,511,102,157.10
Less: Income tax expenses	1,035,810,349.56	1,137,253,259.27
V. Net Profit (loss"-")	9,498,231,250.32	9,373,848,897.83
5.1 Classification by operation continuity		
(a) Net profit (loss) on continuous operation	9,498,231,250.32	9,373,848,897.83
(b) Net profit (loss) on terminated operation	-	-
5.2 Classification by attribution of ownership		
(a) Net profit attributable to owners of parent company	8,851,167,117.21	8,840,604,273.67
(b) Profit or loss attributable to minority shareholders	647,064,133.11	533,244,624.16
VI. Other Comprehensive Income, Net of Income Tax	132,104,468.87	93,448,547.69
Other comprehensive income attributable to owners of the Company, net of tax	54,815,351.50	40,202,998.69

Item	2023 Q1~Q3	2022 Q1~Q3
(I) Items that will not be reclassified subsequently to profit or loss	-	-
(II) Other comprehensive income to be reclassified to profit or loss in subsequent periods	54,815,351.50	40,202,998.69
1. Exchange differences arising on conversion of financial statements denominated in foreign currencies	54,815,351.50	40,202,998.69
Other comprehensive income attributable to minority interests, net of tax	77,289,117.37	53,245,549.00
VII. Total Comprehensive Income	9,630,335,719.19	9,467,297,445.52
Total comprehensive income attributable to owners of the parent company	8,905,982,468.71	8,880,807,272.36
Total comprehensive income attributable to minority shareholders	724,353,250.48	586,490,173.16
VIII. Earnings Per Share		
(I) Basic earnings per share	0.949	0.938
(II) Diluted earnings per share	0.949	0.938

Legal Representative: Chen Zongnian Person in Charge of the Accounting work: Jin Yan

Person in Charge of Accounting Institution: Zhan Junhua

1.3 Consolidated cash flow statement from the beginning of the year to the end of the reporting period

Unit: RMB

Item	2023 Q1~Q3	2022 Q1~Q3
I. Cash Flows from Operating Activities:		
Cash received from sale of goods or rendering of services	64,047,725,763.17	59,535,173,216.27
Receipts of tax refunds	2,795,802,271.62	3,065,301,011.49
Other cash receipts relating to operating activities	1,467,205,190.63	1,816,017,950.14
Sub-total of cash inflows from operating activities	68,310,733,225.42	64,416,492,177.90
Cash payments for goods purchased and services received	39,429,099,767.75	42,941,542,076.67
Cash paid to and on behalf of employees	13,869,935,240.93	12,515,261,002.67
Payments of various types of taxes	4,618,424,247.88	4,385,864,114.47
Other cash payments relating to operating activities	4,479,420,487.91	4,413,707,843.05
Sub-total of cash outflows from operating activities	62,396,879,744.47	64,256,375,036.86
Net Cash Flows from Operating Activities	5,913,853,480.95	160,117,141.04
II. Cash Flows from Investing Activities:		
Cash receipts from recovery of investments	3,676,551,269.16	5,325,102,722.13
Cash receipts from investment income	2,170,800.00	52,646,156.83
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	4,992,600.07	15,393,463.90
Other cash receipts relating to investing activities	45,490,116.17	37,408,842.43
Sub-total of cash inflows from investing activities	3,729,204,785.40	5,430,551,185.29

Item	2023 Q1~Q3	2022 Q1~Q3
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	3,321,446,998.66	2,792,918,794.05
Cash paid to acquire investments	3,803,400,267.38	5,260,713,466.18
Net cash paid to acquire subsidiaries and other business units	43,992,651.82	-
Sub-total of cash outflows from investing activities	7,168,839,917.86	8,053,632,260.23
Net Cash Flows from Investing Activities	(3,439,635,132.46)	(2,623,081,074.94)
III. Cash Flows from Financing Activities:		
Cash receipts from capital contributions	10,820,000.00	2,893,831,394.55
Including: cash receipts from capital contributions from minority owners of subsidiaries	10,820,000.00	-
Cash receipts from borrowings	8,411,594,640.04	7,552,410,026.04
Other cash receipts relating to financing activities	5,000,000.00	-
Sub-total of cash inflows from financing activities	8,427,414,640.04	10,446,241,420.59
Cash repayments of borrowings	3,193,590,889.95	3,915,869,370.59
Cash payments for distribution of dividends or profits or settlement of interest expenses	6,919,370,094.76	8,593,072,039.85
Other cash payments relating to financing activities	881,998,903.51	130,241,064.72
Sub-total of cash outflows from financing activities	10,994,959,888.22	12,639,182,475.16
Net Cash Flows from Financing Activities	(2,567,545,248.18)	(2,192,941,054.57)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	91,529,173.89	149,153,315.95
V. Net Decrease in Cash and Cash Equivalents	(1,797,725.80)	(4,506,751,672.52)
Add: Opening balance of Cash and Cash Equivalents	39,815,390,514.57	34,603,944,429.20
VI. Closing Balance of Cash and Cash Equivalents	39,813,592,788.77	30,097,192,756.68

Legal Representative: Chen Zongnian Person in Charge of the Accounting work: Jin Yan

Person in Charge of Accounting Institution: Zhan Junhua

2. Adjustments to financial report at the beginning of the year relating to the initial adoption of the new accounting standards or interpretation of standards since 2023.

Applicable Inapplicable

The Ministry of Finance issued the Interpretation No. 16 of Accounting Standards for Business Enterprises (the "Interpretation No. 16") on November 30, 2022. The scope of the initial recognition exemption for deferred income tax in the Accounting Standards for Business Enterprises No. 18-Income Tax was revised. Making it clear that the provisions on exemption of initial recognition of deferred income tax liabilities and deferred income tax assets in Accounting Standards for Business Enterprises No. 18-Income Taxes shall not be applied if a single transaction is not a business combination, that affects neither accounting profit nor taxable income (or deductible loss) when the

transaction occurs, and that initially recognized assets and liabilities result in equal taxable temporary differences and deductible temporary differences. This provision is effective as of January 1, 2023 and may be implemented in advance. The Group implemented this requirement from January 1, 2023, and accounted for individual transactions between the beginning of the earliest period in which the financial statements are presented and December 31, 2022 using the retrospective adjustment method, and restated the financial statements for the comparative period. The specific impact on the financial statement items is described below:

(1) The impact on the relevant items of the Group's consolidated balance sheet on January 1, 2022

Unit: RMB

Item	Before the restatement	Adjustment	After the restatement
Deferred tax assets	1,210,877,575.24	758,784.91	1,211,636,360.15
Deferred tax liabilities	93,315,151.17	971,090.51	94,286,241.68
Retained earnings	45,148,877,451.52	(942,347.44)	45,147,935,104.08
Minority equity	1,933,755,610.62	730,041.84	1,934,485,652.46

(2) The impact on the relevant items of the Group's consolidated balance sheet on December 31, 2022

Unit: RMB

Item	Before the restatement	Adjustment	After the restatement
Deferred tax assets	1,469,646,489.04	1,320,206.64	1,470,966,695.68
Deferred tax liabilities	116,502,770.84	837,606.91	117,340,377.75
Retained earnings	49,460,240,986.49	(483,408.98)	49,459,757,577.51
Minority equity	4,580,999,418.82	966,008.71	4,581,965,427.53

(3) The impact on the relevant items of the Group's 2022 consolidated income statement

Unit: RMB

Item	Before the restatement	Adjustment	After the restatement
Income tax expenses	1,297,981,905.54	(694,905.33)	1,297,287,000.21
Net profit attributable to owners of parent company	12,837,342,061.07	458,938.46	12,837,800,999.53
Profit or loss attributable to minority shareholders	719,627,660.86	235,966.87	719,863,627.73

(4) The impact on items related to the Group's consolidated income statement for the period from January 1, 2022 to September 30, 2022

Unit: RMB

Item	Before the restatement	Adjustment	After the restatement
Income tax expenses	1,137,676,186.81	(422,927.54)	1,137,253,259.27
Net profit attributable to owners of parent company	8,840,255,887.45	348,386.22	8,840,604,273.67
Profit or loss attributable to minority shareholders	533,170,082.84	74,541.32	533,244,624.16

3. Audit Report

Whether audit has been performed on this 2023 3rd Quarter Report

Yes No

The Company's 2023 3rd Quarter report has not been audited.

HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO., LTD.

Board of Directors

October 21, 2023

Note:

This document is a translated version of the Chinese version 2023 3rd Quarter Report (“2023 年第三季度报告”), and the published announcements in the Chinese version shall prevail. The complete published Chinese 2023 3rd Quarter Report may be obtained at www.cninfo.com.cn.