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DIGITAL CHINA HOLDINGS LIMITED
(神州數碼控股有限公司*)
(Incorporated in Bermuda with limited liability)
(Stock Code: 00861)

ANNOUNCEMENT IN RELATION TO THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF DIGITAL CHINA INFORMATION SERVICE GROUP COMPANY LTD.* FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

This announcement is made by Digital China Holdings Limited (神州數碼控股有限公司*) (the “**Company**”) 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 and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby notifies that the unaudited consolidated financial results of 神州數碼信息服務集團股份有限公司 (Digital China Information Service Group Company Ltd.*) (formerly named 神州數碼信息服務股份有限公司 (Digital China Information Service Company Ltd.)) (“**DCITS**” or the “**company**”) and its subsidiaries for the nine months ended 30 September 2023 (the “**Results**”) has been released on 30 October 2023. DCITS is the Company’s 39.47% non-wholly-owned subsidiary, the shares of which are listed on The Shenzhen Stock Exchange.

The following is a summary of the Results together with the comparative figures of DCITS and its subsidiaries for the previous corresponding financial period:

Digital China Information Service Group Company Ltd.*
Summary of the unaudited consolidated financial results of DCITS
For the nine months ended 30 September 2023

Summary

During the first three quarters of 2023, the company achieved operating revenues of RMB 6.618 billion and net profit attributable to equity shareholders of the company of RMB 87 million. As a result of the company's continued focus on financial technology, the financial sector generated operating revenues of RMB 3.264 billion, representing a period-on-period increase of 6.15%. Of which, RMB 2.059 billion came from the sale of financial software services, representing a period-on-period increase of 21.20%. The net signed contractual amount from financial sector clients reached RMB 3.277 billion, representing a period-on-period increase of 7.24%. Of which, the net signed contracts amount of financial software services was RMB 2.27 billion, representing

a period-on-period increase of 20.94%. The company also has a robust amount of orders on hand, where signed but unearned revenues amounted to RMB 1.85 billion, representing a year-on-year increase of 30.43%.

In the field of financial software and technical services, leveraging on its sophisticated next-generation core application systems which have gained broad market recognition, the company secured contracts for the core business systems of numerous institutions, including Bank of Qingdao and Shaoxing Bank during the third quarter. The business of enterprise-level microservice platform and enterprise service bus (ESB) continued to expand and maintain its leading position in the industry. The company acquired numerous new clients in the third quarter, including Shanghai Rural Commerce Bank, Chang'an Bank, Qilu Bank, Shaoxing Bank, Shanxi Rural Credit Union, Xinjiang Rural Credit Union, and Hainan Rural Credit Union. In addition, the open platform product shall be deployed with Ningxia Rural Commerce and Yongfeng Bank. The data business launched an A.I. intelligent data security platform and a data asset value assessment package, and won tenders for multiple projects including Industrial Bank's data security platform, Mintai Bank, Xiamen International and Xi'an Bank's data asset management project. The company's digital financial business continues to empower customers, and its e-banking solutions have successively won the tenders for projects such as personal online banking of Xiamen Bank, corporate online banking of Fujian Straits Bank and Wenzhou Bank.

Unaudited consolidated financial results

For the nine months ended 30 September 2023

	Nine months ended 30 September 2023 (unaudited)	Nine months ended 30 September 2022 (unaudited)	Period- on- period change
	<i>RMB'000</i>	<i>RMB'000</i>	
Revenue	6,617,668	7,175,031	-7.8%
Net profit attributable to shareholders of the listed company	86,751	120,347	-27.9%
Basic earnings per share (RMB/share)	0.0898	0.1247	-28.0%
Diluted earnings per share (RMB/share)	0.0898	0.1247	-28.0%

Please refer to the full text of the Results attached to this announcement for details.

Shareholders and investors of the Company are reminded that the information above relates to the financial information of the Company's 39.47% non-wholly-owned subsidiary, DCITS, rather than that of the Company. The financial information in this announcement is based on preliminary financial data of DCITS, has not been audited nor reviewed by its auditors.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Digital China Holdings Limited
 (神州數碼控股有限公司*)
GUO Wei
Chairman and Chief Executive Officer

Hong Kong, 30 October 2023

At the publication of this announcement, the Board comprises nine directors, namely:

Executive Directors: Mr. GUO Wei (Chairman and Chief Executive Officer) and Mr. LIN Yang (Vice Chairman)

Non-executive Directors: Mr. ZENG Shuigen and Ms. CONG Shan

Independent Non-executive Directors: Mr. WONG Man Chung, Francis, Miss. NI Hong (Hope), Dr. LIU Yun, John, Mr. KING William and Mr. Timothy CHEN Yung-cheng

Website: www.dcholdings.com

** For identification purpose only*

Hereinbelow is a reproduction of the announcement made by DCITS pursuant to the relevant listing rules of The Shenzhen Stock Exchange. In case of any discrepancy, the Chinese version shall prevail.

(Note: Unless otherwise specified, the following currencies are in RMB.)

Securities code: 000555

Securities abbreviation: DCITS

Announcement no: 2023-071

Digital China Information Service Group Company Ltd.

2023 Third Quarterly Report

The Company and the Board of Directors of the Company guarantee that the contents of this quarterly report disclosed are true, accurate, and complete without any false representations, misleading statements or material omissions.

Important information contained:

1. The Board of Directors, the Supervisory Committee, the Directors, the supervisors and the senior management of the Company warrant that the contents of this quarterly report are true, accurate and complete without any false representations, misleading statements or material omissions, of which they bear individual and joint legal liabilities.
2. The person-in-charge of the Company, the person-in-charge of accounting operations and the head of the accounting department (head of accounting), declare that the financial statements in this quarterly report are true, accurate and complete.
3. Whether the third quarterly report is audited
 Yes No

I. MAIN FINANCIAL INFORMATION

I. Principal accounting figures and financial indicators

Whether the Company has made retrospective adjustment to or restatement of the accounting data of prior years

Yes No

	For the reporting period	Increase/decrease in the reporting period compared with the corresponding period of last 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 compared with the corresponding period of last year
Operating revenue (RMB)	2,370,664,312.70	-13.20%	6,617,667,766.19	-7.77%
Net profit attributable to shareholders of the listed company (RMB)	5,881,434.67	31.43%	86,751,208.81	-27.92%
Net profit excluding extraordinary gain or loss items attributable to shareholders of the listed company (RMB)	-7,831,027.36	-268.94%	46,385,139.97	-47.95%
Net cash flows from operating activities (RMB)	-	-	-993,021,662.23	-86.73%
Basic earnings per share (RMB/share)	0.0061	29.79%	0.0898	-27.99%
Diluted earnings per share (RMB/share)	0.0061	29.79%	0.0898	-27.99%

Weighted average return on net assets	0.10%	0.02%	1.42%	-0.60%
	As at the reporting period ended	As at the last year ended	Increase/decrease as at the reporting period ended compared with the last year ended	
Total assets (RMB)	11,793,247,472.64	12,439,806,587.42	-5.20%	
Total owners' equity attributable to shareholders of the listed company (RMB)	6,157,451,310.30	6,021,468,062.73	2.26%	

II. Items and amounts of extraordinary gain or loss

Applicable N/A

Unit: RMB

Item	Amount for the reporting period	Amount from the beginning of the year to the end of the reporting period	Notes
Gain/loss from the disposal of non-current assets (including written-off portions for which asset impairment provision has been made)	-169,144.30	-262,864.51	
Government grants included in current period's profit and loss (other than government grants closely related to the business of the enterprise and received in fixed amounts or fixed instalments in accordance with national standards)	13,150,595.20	35,849,121.08	
Gain/loss from the fair-value change in trading financial assets and trading financial liabilities and investment income from the disposal of trading financial assets, trading financial liabilities and available for sales financial assets, other than effective hedging for value protection relating to the Company's normal operations	-82,818.44	-2,520,444.72	
Reversal of provision for impairment of receivables that have been individually tested for impairment	587,500.00	6,099,125.38	
Non-operating income and expenses other than the above	1,239,227.65	3,727,160.95	
Less: Effect of income tax	752,757.59	854,060.30	
Effect of minority interests (after tax)	260,140.49	1,671,969.04	
Total	13,712,462.03	40,366,068.84	--

Details of other profit and loss items that meet the definition of extraordinary gain or loss:

Applicable N/A

The Company has not classified any profit and loss items that meet the definition of extraordinary gain or loss.

An explanatory statement should be made in respect of extraordinary gain or loss items defined under the "Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Extraordinary Gain or Loss Items" classified as recurring profit or loss items by the Company.

Applicable N/A

For the reporting period, the Company has not classified any extraordinary gain or loss items as defined under or set out in the "Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Extraordinary Gain or Loss Items" as recurring profit or loss items.

III. Changes in major accounting items and financial indicators during the reporting period and reasons therefor

√ Applicable □ N/A

(I) Reasons for change in the balance sheet items:

Item	Closing balance (RMB)	Opening balance (RMB)	Percentage change	Note
Cash and bank balances	906,707,614.85	1,654,519,881.06	-45.20%	1
Financial assets held for trading	343,704,791.40	632,485,773.34	-45.66%	2
Other current assets	52,029,726.16	32,588,869.29	59.65%	3
Other equity instrument investments	15,820,451.17	49,069,176.77	-67.76%	4
Staff remuneration payable	275,419,604.61	562,134,430.54	-51.00%	5
Taxes payable	83,571,033.77	215,676,750.07	-61.25%	6
Other payables	113,921,129.66	181,625,450.02	-37.28%	7

1. The closing balance of cash and bank balances decreased by 45.20% as compared to the opening balance, which was mainly attributable to payment of bills due for the purchase of goods and the cash payment for receiving labor services;
2. The closing balance of financial assets held for trading decreased by 45.66% as compared to the opening balance, which was mainly attributable to the reduction of purchasing wealth management products during the period;
3. The closing balance of other current assets increased by 59.65% as compared to the opening balance, which was mainly attributable to the decrease in the input VAT to be deducted during the period;
4. The closing balance of other equity instrument investments decreased by 67.76% as compared to the opening balance, which was mainly attributable to the recovery of investment funds during the period;
5. The closing balance of staff remuneration payable decreased by 51.00% as compared to the opening balance, which was mainly attributable to the settlement of staff bonus during the period;
6. The closing balance of taxes payable decreased by 61.25% as compared to opening balance, which was mainly attributable to the tax payment made during the period;
7. The closing balance of other payables decreased by 37.28% as compared to opening balance, which was mainly attributable to the decrease in the amount of payments to be made during the period.

(II) Reasons for changes in income statement items:

Item	Amount for the current period (RMB)	Amount for the corresponding period of last year (RMB)	Percentage change	Note
Financial expenses	14,214,058.09	29,175,389.81	-51.28%	8
Other income	53,666,102.99	39,787,552.34	34.88%	9
Investment income (loss indicated by “-”)	14,225,100.78	23,871,318.43	-40.41%	10
Gains on changes in fair value (loss indicated by “-”)	-2,789,981.94	-46,714,062.83	94.03%	11
Asset impairment loss (loss indicated by “-”)	-28,208,489.69	-215,366,727.08	-86.90%	12
Non-operating income	11,189,310.66	46,154,094.53	-75.76%	13

Non-operating expenses	7,725,014.22	1,325,517.02	482.79%	14
Income tax expenses	-19,929,587.22	-46,561,816.52	57.20%	15

8. Financial expenses decreased by 51.28% as compared to the corresponding period of last year, which was mainly attributable to the increase in the interest income during the period;
9. Other income increased by 34.88% as compared to the corresponding period of last year, which was mainly attributable to the increase in the government subsidy received during the period;
10. Investment income decreased by 40.41% as compared to the corresponding period of last year, which was mainly attributable to the disposal of long-term equity investments during the previous period;
11. Gains on changes in fair value increased by 94.03% as compared to the same period of last year, which was mainly attributable to the change in the fair value of equity transfer price recognized during the previous period;
12. Asset impairment losses decreased by 86.90% as compared to the corresponding period of last year, which was mainly attributable to the decrease in the impairment provision made for the assets during the period;
13. Non-operating income decreased by 75.76% as compared to the corresponding period of last year, which was mainly attributable to the receipt of compensation during the previous period;
14. Non-operating expenses increased by 482.79% as compared to the corresponding period of last year, which was mainly attributable to the payment of compensation and penalty made during the period;
15. Income tax expenses increased by 57.20% as compared to the same period of last year, which was mainly attributable to the increase in deferred tax provision during the period;

(III) Reasons for change in cash flow statement items:

Item	Amount for the current period (RMB)	Amount for the corresponding period of last year (RMB)	Percentage change	Note
Net cash flows from operating activities	-993,021,662.23	-531,796,647.10	-86.73%	16
Net cash flows from investing activities	296,458,130.05	201,458,491.20	47.16%	17
Net cash flows from financing activities	-40,465,490.02	-118,916,982.09	65.97%	18
Effect on cash and cash equivalents due to change in foreign currency exchange rate	555,268.11	-75,135.60	839.02%	19

16. Net cash flows from operating activities decreased by 86.73% as compared to the corresponding period of last year, which was mainly attributable to the increase in the payment of remuneration made during the period;
17. Net cash flows from investing activities increased by 47.16% as compared to the corresponding period of last year, which was mainly attributable to the recovery of investment funds during the period;
18. Net cash flows from financing activities increased by 65.97% as compared to corresponding period of last year, which was mainly attributable to the repurchase of shares during the previous period;
19. Effect on cash and cash equivalents due to change in foreign currency exchange rate increased by 839.02% as compared to the corresponding period of last year, which was mainly attributable to the exchange rate fluctuations in the external financial market during the period.

II. SHAREHOLDERS INFORMATION

I. Total number of ordinary shareholders, number of preferential shareholders with restored voting rights and particulars of shareholdings of the top 10 shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	59,552	Total number of preferential shareholders with restored voting rights as at the end of the reporting period (if any)	0			
Particulars of shareholding of the top 10 shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged or frozen	
					Status of shares	Number
Digital China Software Limited (神州數碼軟件有限公司) (“DCSL”)	Domestic non-state-owned legal person	39.47%	388,258,410	0	Pledged	104,470,000
Kunshan Shenchang Technology Co., Ltd. (昆山市申昌科技有限公司) (“Shenchang Technology”)	State-owned legal person	5.05%	49,708,280	0		
China-Singapore Suzhou Industrial Park Ventures Co., Ltd. (中新蘇州工業園區創業投資有限公司) (“CSSIP”)	State-owned legal person	3.00%	29,512,937	0		
Linzhi Tencent Technology Co., Ltd. (林芝騰訊科技有限公司) (“Tencent Technology”)	Domestic non-state-owned legal person	1.99%	19,598,721	0		
Infinity I-China Investments(Israel),L.P. (“Infinity I-China”)	Foreign legal person	1.33%	13,130,434	0	Pledged	13,130,434
Digital China Information Services Company Ltd. - 2022 Employee Stock Ownership Plan	Other	1.12%	11,047,477	0		0
Hong Kong Securities Clearing Company Limited	Foreign legal person	1.06%	10,452,076	0		0
Cheng Yanyun (程艷雲)	Domestic natural person	0.84%	8,221,400	0		0
Wu Donghua (吳冬華)	Domestic natural person	0.76%	7,435,638	0		0
Bank of Communications Co., Ltd - Golden Eagle Dividend Value Flexible Configuration Hybrid Securities Investment Fund	Other	0.55%	5,370,053	0		0

Particulars of shareholdings of the top 10 shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares	
		Class of shares	Number
DCSL	388,258,410	RMB ordinary shares	388,258,410
Shenchang Technology	49,708,280	RMB ordinary shares	49,708,280
CSSIP	29,512,937	RMB ordinary shares	29,512,937
Tencent Technology	19,598,721	RMB ordinary shares	19,598,721
Infinity I-China	13,130,434	RMB ordinary shares	13,130,434
Digital China Information Services Company Ltd. - 2022 Employee Stock Ownership Plan	11,047,477	RMB ordinary shares	11,047,477
Hong Kong Securities Clearing Company Limited	10,452,076	RMB ordinary shares	10,452,076
Cheng Yanyun (程艷雲)	8,221,400	RMB ordinary shares	8,221,400
Wu Donghua (吳冬華)	7,435,638	RMB ordinary shares	7,435,638
Bank of Communications Co., Ltd - Golden Eagle Dividend Value Flexible Configuration Hybrid Securities Investment Fund	5,370,053	RMB ordinary shares	5,370,053
Description of connected relationships or concerted party relationships among the aforesaid shareholders	Except for Digital China Information Services Company Ltd. - 2022 Employee Stock Ownership Plan and Wu Donghua and Cheng Yanyun, who are in a spousal relationship, the Company is unaware of whether other shareholders have related relationships or whether they are persons acting in concert.		
Description of participation in margin trading by any of the top 10 shareholders (if any)	<ol style="list-style-type: none"> The 11,047,477 shares under the Digital China Information Services Company Ltd. - 2022 Employee Stock Ownership Plan are all held in credit securities accounts. Cheng Yanyun holds 5,000,000 shares of the Company through the ordinary securities accounts, and 3,221,400 shares of the Company through the Company through credit securities accounts, in total holding 8,221,400 shares of the Company. Since May 2023, DCSL has been engaged in the "refinancing lending" business. As at the end of the reporting period, its holding of the Company's shares decreased by 1,281,700 shares through ordinary securities account, which was mainly attributable to the fact that the shares it lent through refinancing business have not been returned. 		

Note: The Company's securities repurchase account holds 17,159,667 ordinary shares at the end of the reporting period, with shareholding percentage of 1.74%, not shown in the "Particulars of shareholding of the top 10 shareholders" above.

II. Total number of preferential shareholders and particulars of shareholding of the top 10 preferential shareholders

Applicable N/A

III. OTHER SIGNIFICANT EVENTS

√ Applicable □ N/A

(I) Company operations during the reporting period

During the first three quarters of 2023, the Company achieved operating revenues of RMB 6.618 billion and net profit attributable to equity shareholders of the Company of RMB 87 million. As a result of the Company's continued focus on financial technology, the financial sector generated operating revenues of RMB 3.264 billion, representing a period-on-period increase of 6.15%. Of which, RMB 2.059 billion came from the sale of financial software services, representing a period-on-period increase of 21.20%. The net signed contractual amount from financial sector clients reached RMB 3.277 billion, representing a period-on-period increase of 7.24%. Of which, the net signed contracts amount of financial software services was RMB 2.27 billion, representing a period-on-period increase of 20.94%. The Company also has a robust amount of orders on hand, where signed but unearned revenues amounted to RMB 1.85 billion, representing a year-on-year increase of 30.43%.

In the field of financial software and technical services, leveraging on its sophisticated next-generation core application systems which have gained broad market recognition, the Company secured contracts for the core business systems of numerous institutions, including Bank of Qingdao and Shaoxing Bank during the third quarter. The business of enterprise-level microservice platform and enterprise service bus (ESB) continued to expand and maintain its leading position in the industry. The Company acquired numerous new clients in the third quarter, including Shanghai Rural Commerce Bank, Chang'an Bank, Qilu Bank, Shaoxing Bank, Shanxi Rural Credit Union, Xinjiang Rural Credit Union, and Hainan Rural Credit Union. In addition, the open platform product shall be deployed with Ningxia Rural Commerce and Yongfeng Bank. The data business launched an A.I. intelligent data security platform and a data asset value assessment package, and won tenders for multiple projects including Industrial Bank's data security platform, Mintai Bank, Xiamen International and Xi'an Bank's data asset management project. The Company's digital financial business continues to empower customers, and its e-banking solutions have successively won the tenders for projects such as personal online banking of Xiamen Bank, corporate online banking of Fujian Straits Bank and Wenzhou Bank.

In financial localization initiatives, the Company provides a comprehensive "software + hardware" integration and "end-to-end" overall solution for digital innovation and localization. Localization initiatives focus on architecture planning and design, banking system innovation, adaptation services, cloud and distributed infrastructure, and operation and maintenance services. During the first three quarters of 2023, the Company was successfully shortlisted for infrastructure integration procurement projects with customers such as China CITIC Bank and Postal Savings Bank of China. The Company also signed contracts with customers such as Bank of Communications, Bank of China, China Development Bank, Bank of Beijing, Bank of Tianjin, Bohai Bank, Jilin Rural Credit Union, Xinhua Life Insurance and Galaxy Securities.

In the field of innovative finance, products such as Tianxi Credit Data Index Platform and Intelligent Risk Control Platform have successively won the tenders for core projects of numerous financial institutions including a large City Commercial Bank in Beijing, Baixin Bank, China Chengxin Trust, Zhongbang Bank and Hainan Credit Information, providing substantial support to banks and other financial institutions in their efforts to enhance the standard of inclusive financial technology.

(II) Matters concerning the 2023 Equity Incentive Plan during the reporting period

1. On July 1, 2023, the Company disclosed the "Explanation and Verification Opinions of the Board of Supervisors on the Disclosure of the List of Incentive Recipients of the Company's 2023 Stock Option Incentive Plan".
2. On July 7, 2023, the Second Extraordinary General Meeting of Shareholders of the Company in 2023 reviewed and approved the "Proposal on the Company's "2023 Stock Option Incentive Plan (Revised Draft)" and its Summary",

"Proposal on the Company's "Measures for Implementation Assessment and Management of the 2023 Stock Option Incentive Plan" and "Proposal on Proposing to the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to Equity Incentives". The Company's implementation of the 2023 stock option incentive plan was approved, and the board of directors was authorized to handle matters related to equity incentives.

3. On July 12, 2023, the Second Extraordinary Meeting of the Ninth Board of Directors of the Company in 2023 and the Second Extraordinary Meeting of the Ninth Board of Supervisors in 2023 reviewed and approved the "Proposal on Adjusting the List of Incentive Recipients and the Number of Rights Granted under the 2023 Stock Option Incentive Plan" and "Proposal on Granting Stock Options to Incentive Recipients of the 2023 Stock Option Incentive Plan", agreeing to grant 37,155,000,000 units of share options to 256 incentive recipients. The Board of Supervisors believes that the grant conditions stipulated in this incentive plan have been met, and has verified the list of incentive recipients for this stock option grant.
4. On September 1, 2023, the Company disclosed the "Announcement on the Completion of Registration for the Grant of Stock Option Incentive Plan in 2023". After review and confirmation by the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd., the Company completed the grant registration of this equity incentive plan on August 31, 2023. A total of 256 individuals were granted incentives under this stock option incentive plan, and 37,155,000,000 units of stock options were granted and registered.

(III) Matters concerning the 2022 Employee Stock Ownership Plan during the reporting period

On September 14, 2023, the company held the fifth management committee meeting of the 2022 Employee Stock Ownership Plan, and reviewed and approved the "Proposal on the Recovery and Transfer of Employee Stock Ownership Plan Shares." After deliberation by all members of the Management Committee, since one holder has resigned, it was agreed to transfer the 300,000 employee stock shares held by him (corresponding to the capital contribution of RMB 300,000, accounting for 0.44% of the total shares of the employee stock ownership plan) to other holders.

Overall, the number of beneficiaries of the company's 2022 Employee Stock Ownership Plan has been adjusted to 178 as of this moment.

(IV) Other important matters

Index of the Company's announcements during the reporting period:

Announcement reference	Matters	Name and layout of press published	Publication date	Publication website and relevant link
2023-001	Indicative announcement on convening the First Extraordinary General Meeting of shareholders in 2023	Securities Times B077	2023/1/4	巨潮資訊網 (www.cninfo.com.cn)
2023-002	Announcement on the progress of the share repurchase	Securities Times B077	2023/1/4	
2023-003	Announcement on the share reduction by shareholders by more than 50% and the progress of the reduction	Securities Times B051	2023/1/7	
2023-004	Announcement of resolutions of the First Extraordinary General Meeting of shareholders in 2023	Securities Times B051	2023/1/7	

2023-005	Voluntary announcement on the receipt of government grants for 2022	Securities Times B072	2023/1/10
2023-006	Announcement on the implementation progress of Employee Stock Ownership Plan and completion of non-trading transfer	Securities Times B057	2023/1/11
2023-007	Announcement on the implementation progress of the 2022 Employee Stock Ownership Plan	Securities Times B064	2023/1/14
2023-008	Announcement on the progress of the share repurchase	Securities Times B039	2023/2/3
2023-009	Announcement on the progress of providing guarantees for holding subsidiaries	Securities Times B039	2023/2/3
2023-010	Announcement on the implementation progress of the 2022 Employee Stock Ownership Plan	Securities Times B040	2023/2/15
2023-011	Announcement on the progress of providing guarantees for wholly-owned subsidiaries	Securities Times B066	2023/2/21
2023-012	Announcement on the progress of implementation of Employee Stock Ownership Plan and completion of stock purchase	Securities Times B066	2023/2/21
2023-013	Announcement on the early repurchase of the company's controlling shareholder's stock pledged repurchase transaction	Securities Times B063	2023/3/3
2023-014	Announcement on the progress of providing guarantees for holding subsidiaries	Securities Times B042	2023/3/4
2023-015	Announcement on the progress of the share repurchase	Securities Times B026	2023/3/13
2023-016	Announcement on the progress of providing guarantees for wholly-owned subsidiaries	Securities Times B022	2023/3/15
2023-017	Announcement on the early repurchase of the company's controlling shareholder's stock pledged repurchase transaction	Securities Times B071	2023/3/18
2023-018	Announcement on holding the 2022 annual result briefing meeting	Securities Times B044	2023/3/24
2023-019	Announcement of Resolutions of the Fifth Meeting of the Ninth Board of Directors	Securities Times B179	2023/3/31
2023-020	Summary of the 2022 annual report	Securities Times B179	2023/3/31
2023-021	Announcement on the Proposal on Profit Distribution for 2022	Securities Times B180	2023/3/31
2023-022	Announcement on the proposed appointment of accounting firm	Securities Times B180	2023/3/31
2023-023	Notice on convening the Annual General Meeting of Shareholders for 2022	Securities Times B180	2023/3/31

2023-024	Announcement on the provision for asset impairment for 2022	Securities Times B179	2023/3/31
2023-025	Announcement of Resolutions of the Fifth Meeting of the Ninth Board of Supervisors	Securities Times B180	2023/3/31
2023-026	Announcement on Completion of Share Repurchase and Changes in Shares	Securities Times B078	2023/4/6
2023-027	Announcement on the implementation of share reduction by shareholders	Securities Times B048	2023/4/7
2023-028	Pre-disclosure announcement on controlling shareholders' participation in the refinancing securities lending business	Securities Times B228	2023/4/15
2023-029	Indicative announcement in relation to convening the 2022 Annual General Meeting of Shareholders	Securities Times B318	2023/4/20
2023-030	Announcement of Resolutions of the 2022 Annual General Meeting of Shareholders	Securities Times B219	2023/4/25
2023-031	Announcement on the implementation of share reduction by shareholders	Securities Times B264	2023/4/27
2023-032	Pre-disclosure announcement on controlling shareholders' participation in the refinancing securities lending business	Securities Times B616	2023/4/29
2023-033	Indicative announcement in relation to convening the 2023 Annual General Meeting of Shareholders	Securities Times B616	2023/4/29
2023-034	Announcement of Resolutions of the 2023 Annual General Meeting of Shareholders	Securities Times B616	2023/4/29
2023-035	Announcement on the implementation of share reduction by shareholders	Securities Times B616	2023/4/29
2023-036	Pre-disclosure announcement on controlling shareholders' participation in the refinancing securities lending business	Securities Times B081	2023/5/9
2023-037	Indicative announcement in relation to convening the 2024 Annual General Meeting of Shareholders	Securities Times B102	2023/5/27
2023-038	Announcement of Resolutions of the 2024 Annual General Meeting of Shareholders	Securities Times B051	2023/6/1
2023-039	Announcement on the implementation of share reduction by shareholders	Securities Times B073	2023/6/6
2023-040	Pre-disclosure announcement on controlling shareholders' participation in the refinancing securities lending business	Securities Times B066	2023/6/20
2023-041	Indicative announcement in relation to convening the 2025 Annual General Meeting of Shareholders	Securities Times B066	2023/6/20
2023-042	Announcement of Resolutions of the 2025 Annual General Meeting of Shareholders	Securities Times B066	2023/6/20

2023-043	Notice on convening the Second Extraordinary General Meeting of Shareholders in 2023	Securities Times B066	2023/6/20
2023-044	Announcement of Resolutions of the First Extraordinary Meeting of the Ninth Board of Supervisors in 2023	Securities Times B066	2023/6/20
2023-045	Explanation and Verification Opinions of the Board of Supervisors on the Disclosure of the List of Incentive Recipients of the Company's 2023 Stock Option Incentive Plan	Securities Times B032	2023/7/1
2023-046	Indicative announcement on convening the Second Extraordinary General Meeting of shareholders in 2023	Securities Times B033	2023/7/5
2023-047	Announcement of Resolutions of the Second Extraordinary General Meeting of Shareholders in 2023	Securities Times B075	2023/7/8
2023-048	Self-inspection report of the Board of Supervisors on trading of Company's shares by incentive recipients	Securities Times B075	2023/7/8
2023-049	Announcement on Resolutions of the Second Extraordinary Meeting of the Ninth Board of Directors in 2023	Securities Times B059	2023/7/13
2023-050	Proposal on Adjusting the List of Incentive Recipients and the Number of Rights Granted under the 2023 Stock Option Incentive Plan	Securities Times B059	2023/7/13
2023-051	Proposal on Granting Stock Options to Incentive Recipients of the 2023 Stock Option Incentive Plan	Securities Times B059	2023/7/13
2023-052	Announcement of Resolutions of the Second Extraordinary Meeting of the Ninth Board of Supervisors in 2023	Securities Times B059	2023/7/13
2023-053	Announcement on the progress of providing guarantees for holding subsidiaries	Securities Times B059	2023/7/13
2023-054	Announcement on the Company's controlling shareholder's stock pledge repurchase transaction	Securities Times B083	2023/7/15
2023-055	Announcement of Resolutions of the Third Extraordinary Meeting of the Ninth Board of Supervisors in 2023	Securities Times B006	2023/8/2
2023-056	Announcement on the proposed change of company name	Securities Times B006	2023/8/2
2023-057	Notice on convening the Third Extraordinary General Meeting of Shareholders in 2023	Securities Times B006	2023/8/2
2023-058	Announcement on extension of the repurchase by way of share pledge conducted by the controlling shareholder of the Company	Securities Times B054	2023/8/3
2023-059	Announcement on receiving the finalist notification	Securities Times B018	2023/8/10
2023-060	Announcement on the early repurchase of the company's controlling shareholder's stock pledged repurchase transaction	Securities Times B043	2023/8/12
2023-061	Announcement on the progress of controlling shareholders' participation in refinancing securities	Securities Times B043	2023/8/12

	lending business			
2023-062	Indicative announcement on convening the Third Extraordinary General Meeting of shareholders in 2023	Securities Times B033	2023/8/15	
2023-063	Announcement of Resolutions of the Third Extraordinary General Meeting of Shareholders in 2023	Securities Times B076	2023/8/18	
2023-064	Announcement on the progress of providing guarantees for holding subsidiaries	Securities Times B103	2023/8/24	
2023-065	Announcement on the early repurchase of the company's controlling shareholder's stock pledged repurchase transaction	Securities Times B088	2023/8/26	
2023-066	Summary of 2023 Interim Report	Securities Times B323	2023/8/31	
2023-067	Announcement on the provision for asset impairment and asset write-offs	Securities Times B323	2023/8/31	
2023-068	Announcement on the completion of registration for the Grant of Stock Option Incentive Plan in 2023	Securities Times B066	2023/9/1	
2023-069	Announcement on the change of company name and the completion of industrial and commercial change registration	Securities Times B002	2023/9/2	
2023-070	Announcement on the release of the Company's controlling shareholders' pledge of shares	Securities Times B039	2023/9/19	

IV. FINANCIAL STATEMENTS

I. Financial Statements

1. Consolidated balance sheet

Prepared by: Digital China Information Service Group Company Ltd.

30 September 2023

Unit: RMB

Item	30 September 2023	1 January 2023
Current assets:		
Cash and bank balances	906,707,614.85	1,654,519,881.06
Balances with other financial institution		
Loan to banks		
Trading financial assets	343,704,791.40	632,485,773.34
Derivative financial assets		
Bills receivable	50,114,663.62	42,847,994.40
Trade receivables	2,453,693,114.98	2,720,335,964.13
Receivables financing		
Prepayments	352,732,947.15	285,232,152.94
Premium receivable		
Receivables from reinsurers		
Reinsurance contract reserves receivable		
Other receivables	157,493,450.54	149,958,049.87
Of which: Interest receivable		
Dividend receivable		
Purchase of repo financial assets		
Inventories	2,688,285,352.49	2,364,005,873.60
Contract assets	2,091,103,416.13	1,855,109,815.62
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	52,029,726.16	32,588,869.29
Total current assets	9,095,865,077.32	9,737,084,374.25

Non-current assets:		
Disbursement of loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	123,590,920.17	121,074,021.69
Long-term equity investments	138,599,114.18	135,507,462.36
Other investments in equity instruments	15,820,451.17	49,069,176.77
Other non-current financial assets		
Investment properties	12,608,687.62	12,887,275.63
Fixed assets	383,542,083.59	395,022,142.28
Construction in progress		
Productive biological assets		
Oil & gas assets		
Right of use assets	53,512,212.16	66,429,786.60
Intangible assets	185,855,112.71	154,771,038.86
Development expenses	44,833,365.29	51,452,679.31
Goodwill	1,505,197,394.63	1,505,197,394.63
Long-term prepaid expenses	7,317,540.35	9,456,538.16
Deferred tax assets	226,505,513.45	201,854,696.88
Other non-current assets		
Total non-current assets	2,697,382,395.32	2,702,722,213.17
Total assets	11,793,247,472.64	12,439,806,587.42
Current liabilities:		
Short-term borrowings	219,835,775.67	176,786,613.30
Borrowings from central bank		
Placements from banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Bills payables	1,349,432,685.26	1,271,997,371.92
Trade payables	1,926,367,889.38	2,248,583,208.29

Receipt in advance		
Contract liabilities	1,423,845,020.00	1,459,832,380.41
Funds from selling and repurchasing financial assets		
Customer bank deposits and amounts due to banks and other financial institutions		
Funds from securities agency		
Funds from securities underwriters		
Staff remuneration payable	275,419,604.61	562,134,430.54
Taxes payable	83,571,033.77	215,676,750.07
Other payables	113,921,129.66	181,625,450.02
Of which: Interest payable		
Dividend payable		
Fees and commission payable		
Due to reinsurers		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	38,422,592.54	38,515,576.02
Other current liabilities		
Total current liabilities	5,430,815,730.89	6,155,151,780.57
Non-current liabilities:		
Reserves for insurance contracts		
Long-term borrowings	61,162,034.73	66,600,000.00
Bonds payables		
Of which: preferential shares		
perpetual notes		
Lease liabilities	29,764,672.42	41,856,024.20
Long-term payables		
Long-term staff remuneration payable		
Estimated liabilities		
Deferred income	19,845,681.60	26,826,287.64
Deferred tax liabilities	12,315,798.37	15,373,763.42

Other non-current liabilities		
Total non-current liabilities	123,088,187.12	150,656,075.26
Total liabilities	5,553,903,918.01	6,305,807,855.83
Owners' equity:		
Share capital	983,653,713.00	983,653,713.00
Other equity instruments		
Of which: preferential shares		
perpetual notes		
Capital reserve	2,493,245,760.49	2,510,045,134.59
Less: Treasury stock	232,575,573.24	300,075,573.24
Other comprehensive income	72,009,099.96	78,876,772.11
Special reserve		
Surplus reserve	43,095,208.25	43,095,208.25
General risk provisions		
Retained profits	2,798,023,101.84	2,705,872,808.02
Total owners' equity attributable to parent company	6,157,451,310.30	6,021,468,062.73
Minority shareholder's interest	81,892,244.33	112,530,668.86
Total owners' equity	6,239,343,554.63	6,133,998,731.59
Total liabilities and owners' equity	11,793,247,472.64	12,439,806,587.42

Legal representative: Guo Wei

Person-in-charge of accounting
operations: Liu WeigangHead of accounting department:
Zhang Xiuhui

2. Consolidated income statement

Unit: RMB

Item	Amount for the current period	Amount for the previous period
1. Total operating revenue	6,617,667,766.19	7,175,030,999.25
Of which: Operating revenue	6,617,667,766.19	7,175,030,999.25
Interest income		
Earned premium		

Fees and commission income		
2. Total operating cost	6,484,916,062.02	6,841,542,123.07
Of which: Operating cost	5,513,124,767.60	5,940,368,068.84
Interest expenses		
Fees and commission expenses		
Surrenders		
Net amount of compensation payout		
Net amount of reserves for insurance liabilities		
Policyholder dividends expenses		
Expenses for reinsurance accepted		
Taxes and surcharges	17,709,139.53	23,646,435.86
Selling expenses	315,643,640.07	291,927,108.13
Administrative expenses	149,414,514.54	141,168,743.82
Research and development expenses	474,809,942.19	415,256,376.61
Financial expenses	14,214,058.09	29,175,389.81
Of which: Interest expenses	17,337,592.04	20,346,190.19
Interest income	17,066,811.79	3,523,661.09
Add: Other income	53,666,102.99	39,787,552.34
Investment income (loss indicated by “-”)	14,225,100.78	23,871,318.43
Of which: Investment income from associates and joint ventures	3,091,651.82	595,724.28
Gains on derecognition of financial assets measured at amortized cost	-177,941.78	
Exchange gains (loss indicated by “-”)		
Gains on net exposure hedging (loss indicated by “-”)		
Gains from change in fair value (loss indicated by “-”)	-2,789,981.94	-46,714,062.83
Credit impairment loss (loss indicated by “-”)	-131,914,815.99	-120,898,010.46
Asset impairment loss (loss indicated by “-”)	-28,208,489.69	-215,366,727.08
Gains from the disposal of assets (loss indicated by “-”)		
3. Operating profit (loss indicated by “-”)	37,729,620.32	14,168,946.58
Add: Non-operating income	11,189,310.66	46,154,094.53
Less: Non-operating expenses	7,725,014.22	1,325,517.02

4. Total profit (total loss indicated by “-”)	41,193,916.76	58,997,524.09
Less: Income tax expenses	-19,929,587.22	-46,561,816.52
5. Net profit (net loss indicated by “-”)	61,123,503.98	105,559,340.61
(I) Analysed by continuity		
1. Net profit from continuing operations (loss indicated by “-”)	61,123,503.98	105,559,340.61
2. Net profit from discontinued operations (loss indicated by “-”)		
(II) Analysed by ownership		
1. Net profit attributable to owners of the parent company	86,751,208.81	120,346,706.19
2. Minority interests	-25,627,704.83	-14,787,365.58
6. Net amount of other comprehensive income after taxation	29,459,219.32	-24,775,551.75
Net amount of other comprehensive income after taxation attributable to owners of the parent company	29,459,219.32	-24,775,551.75
(I) Other comprehensive income which cannot be reclassified as profit or loss	21,677,174.13	-36,385,209.23
1. Changes in the re-measurement of defined benefit plans		
2. Other comprehensive income under equity method which cannot be recorded in profit and loss		
3. Change in fair value of other investments in equity instruments	21,677,174.13	-36,385,209.23
4. Change in fair value of inherent credit risks		
5. Others		
(II) Other comprehensive income which will be reclassified as profit or loss	7,782,045.19	11,609,657.48
1. Other comprehensive income under equity method which will be recorded in profit and loss		
2. Change in fair value of other debt investments		
3. Reclassification of financial assets included in other comprehensive income		
4. Credit loss for other debt investments		
5. Cash flow hedging reserve		
6. Differences arising from foreign currency translation	7,782,045.19	11,609,657.48
7. Others		
Net amount of other comprehensive income after taxation attributable to minority shareholders		
7. Total comprehensive income	90,582,723.30	80,783,788.86
Total comprehensive income attributable to owners of the parent company	116,210,428.13	95,571,154.44

Total comprehensive income attributable to minority shareholders	-25,627,704.83	-14,787,365.58
8. Earnings per share:		
(I) Basic earnings per share	0.0898	0.1247
(II) Diluted earnings per share	0.0898	0.1247

In the event of a business combination under the same control during the period, the net income realized by the party being consolidated prior to the combination was nil and the net income realized by the party being consolidated in the previous period was nil.

Legal representative: Guo Wei

Person-in-charge of accounting
operations: Liu Weigang

Head of accounting department:
Zhang Xiuhui

3. Consolidated cash flow statement

Unit: RMB

Item	Amount for the current period	Amount for the previous period
1. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	6,913,021,607.24	6,919,603,620.75
Net increase in customer bank deposits and amounts due to other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received in premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase of policyholder deposits and investment funds		
Cash received from interests, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchase business capital		
Net cash received for customer brokerage deposits		
Tax rebates received	4,704,778.25	5,802,768.32
Other cash received in connection with operating activities	91,390,034.70	97,788,520.88
Sub-total of cash inflow from operating activities	7,009,116,420.19	7,023,194,909.95
Cash paid for purchase of goods and rendering of services	5,095,887,774.93	5,093,925,790.79
Net increase in customer loans and advances		
Net increase in deposits with central bank and other financial institutions		

Cash paid for original insurance contract claims		
Net increase in loans to banks and other financial institutions		
Interest, fees and commissions paid		
Cash paid for policyholder dividend		
Cash paid to and for employees	2,370,544,409.60	2,067,653,188.99
Taxes paid	232,476,586.34	192,529,863.50
Other cash paid in connection with operating activities	303,229,311.55	200,882,713.77
Sub-total of cash outflow from operating activities	8,002,138,082.42	7,554,991,557.05
Net cash flow from operating activities	-993,021,662.23	-531,796,647.10
2. Cash flow from investing activities:		
Cash received from disposal of investments	71,245,767.73	36,564,098.12
Cash received on obtaining investment income	14,118,852.14	14,973,032.46
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	246,983.41	482,908.13
Net cash received from disposal of subsidiaries and other business units		
Other cash received in connection with investing activities	7,274,568,969.58	8,620,500,000.00
Sub-total of cash inflow from investing activities	7,360,180,572.86	8,672,520,038.71
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	60,762,393.81	55,850,650.40
Cash paid for acquisition of investments	14,500,049.00	45,410,897.11
Net increase in pledge loans		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid in connection with investing activities	6,988,460,000.00	8,369,800,000.00
Sub-total of cash outflow from investing activities	7,063,722,442.81	8,471,061,547.51
Net cash flow from investing activities	296,458,130.05	201,458,491.20
3. Cash flow from financing activities:		
Cash received from investments		49,878,607.31
Of which: Cash received from investments in a subsidiary by minority shareholders		
Cash received on drawdown of loans	223,200,125.93	244,750,118.00
Other cash received in connection with financing activities		
Sub-total of cash inflow from financing activities	223,200,125.93	294,628,725.31
Cash paid for repayment of borrowings	185,650,118.00	231,674,866.56

Cash paid for dividend or profit distribution or interest payment	53,177,068.57	58,755,727.71
Of which: Dividend and profit paid to minority shareholders by a subsidiary	5,200,000.00	
Other cash paid in connection with financing activities	24,838,429.38	123,115,113.13
Sub-total of cash outflow from financing activities	263,665,615.95	413,545,707.40
Net cash flows from financing activities	-40,465,490.02	-118,916,982.09
4. Effect on cash and cash equivalents due to change in foreign currency exchange rate	555,268.11	-75,135.60
5. Net increase in cash and cash equivalents	-736,473,754.09	-449,330,273.59
Add: Balance of cash and cash equivalents at the beginning of the period	1,627,076,634.47	1,484,449,940.78
6. Balance of cash and cash equivalents at the end of the period	890,602,880.38	1,035,119,667.19

II. The initial implementation of the new accounting standards from 2023 by adjusting the financial statements at the beginning of the year of initial implementation

Applicable N/A

III. Audit Report

Whether the third quarterly report is audited

Yes No

The third quarterly report of the Company is unaudited.

The Board of Digital China Information Service Group Company Ltd.

Chairman: Guo Wei

31 October 2023