



LongShine Technology Group Co., Ltd.

1rd Quarter Report 2023 (Summary)

April, 2023

I. Key Accounting Data and Financial Indicators

I. Key Accounting Data and Financial Indicators in Recent Three Years:

	The Reporting Period	Same period of previous year	Increase/decrease of current year over previous year
Revenue (RMB)	652,692,873.73	840,107,471.21	-22.31%
Net profit attributable to shareholders of listed company (RMB)	20,069,422.58	51,398,337.62	-60.95%
Net profit attributable to shareholders of listed company excluding non-recurring gains and losses (RMB)	3,428,835.41	47,219,733.76	-92.74%
Net cash flows from operating activities (RMB)	-139,029,256.98	-445,537,721.70	68.80%
Basic EPS (RMB Yuan/share)	0.019	0.049	-61.22%
Diluted EPS (RMB Yuan/share)	0.019	0.049	-61.22%
Weighted average ROE	0.29%	0.80%	-0.51%
	As at the end of the reporting period	As at the end of last year	Increase/decrease of current year over previous year
Total assets (RMB)	9,571,072,859.54	9,780,429,180.05	-2.14%
Net assets attributable to shareholders of listed company (RMB)	7,065,240,020.69	6,812,411,679.88	3.71%

1.1 Business Review

During the reporting period, the Company's energy Internet business maintained rapid development. By the end of the first quarter of 2023, the coverage of charging equipment of the "Xindiantu" aggregated charging platform exceeded 0.8 million, the number of new charging equipment in a single quarter surpassed 0.1 million, the number of registered users of the platform reached 6.5 million, the aggregated charging capacity of the platform reached 700 million kwh, and the monthly charging capacity continued to increase. In March, the market share of public charging exceeded 10%, and the revenue of charging service in the first quarter more than doubled year on year. Operating losses have affected listed companies by about RMB 16 million, and the efficiency of marketing subsidies has been continuously improved; The "Xinyao" photovoltaic cloud platform is newly connected to the distributed photovoltaic power station more than 11,000, with a capacity of about 700MW; The energy operation business has developed at a high speed, and the scale of power transaction is about 50 million kwh.

During the reporting period, the revenue of the Company's power grid-related energy digitization business increased by about 20% year-on-year, and the newly signed orders increased by more than 30% year on year, which accelerated the pace of business promotion. Focusing on the digital transition of the energy and power industry, the construction of new power systems and the reform of power marketization, the Company has fully participated in the promotion, construction and operation support of the new generation marketing system, collection system, load management system, energy big data and EV charging pile platform in several provinces. During the reporting period, the Company further streamlined the non-grid energy digitization business, and the

profit quality improved significantly.

During the reporting period, the platform business of OTT TV continued to develop steadily; The hardware of OTT TV is influenced by the customer's purchasing rhythm, pricing and other factors. In 2022, the sales volume of hardware is high first and low in the later, and the revenue of hardware in the first quarter reached 0.27 billion RMB. During the reporting period, the sales volume decreased significantly year on year, with revenue decreased by about 0.17 billion RMB and profit decreased more than 50 million RMB compared with the same period of last year. It is expected that the sales volume in the second quarter will gradually increase, and the hardware business will maintain steady development throughout the year.

1.2 Environmental, Social and Governance (ESG)

On March 31, we released the 2022 Environmental, Social and Governance Report of Longshine Technology, which disclosed the practice and achievements of Longshine Technology in practicing sustainable development in detail. With leading digitalization capabilities and plentiful energy operation scenarios, it will help the development of energy transformation and carbon neutrality. The first phase of Longshine Technology Industrial Park (CPU Space) was completed and put into use at the end of 2022. The industrial park integrates photovoltaic, energy storage and charging, and builds a green and low-carbon park model in all directions.

In March, Longshine Technology officially joined *Trust and Integrity Enterprise Alliance* and became a member of the Alliance. We actively advocate corporate integrity, create a workplace atmosphere of integrity and honesty, promote a culture of integrity and compliance, actively foster a business environment of trust, integrity and honesty, and work together to erect a great anti-corruption, anti-fraud and anti-counterfeiting wall of security.

II. Items and Amounts of Non-recurring Gains and Losses

Item	Amounts for the Reporting Period	Explanation
Profit or loss from disposal of non-current assets (including the write-off for the impairment provision of assets)	11,848,569.93	
Government grants included in the current profit and loss (except for government grants 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)	21,283.10	
The investment cost of the company to obtain subsidiaries, associates and joint ventures is less than the income generated by the fair value of the investee's identifiable net assets when the investment is obtained	-321,579.27	
Other non-operating income and expenditures except the items mentioned above	5,972,963.18	
Less: Impact of income tax	200,480.38	
Impact of the minority interests (after tax)	680,169.39	
Total	16,640,587.17	

III. Information and explanation about variations in key accounting data and financial indicators

3.1 Explanation for variations in balance sheet items

Item	2023/03/31	2022/12/31	YoY change (%)	Explanation
Inventories	394,609,469.33	275,078,371.02	43.45%	Mainly due to the increase in energy digitalization service, the cost of performing these contracts increased
Contractual liabilities	173,445,416.07	85,555,324.96	102.73%	Mainly due to the increase of advance project funds received in energy digitization project.

3.2 Explanation for variations in income statement items

Item	Amount for the current period	Amount for the prior period	YoY change (%)	Explanation
Revenue	652,692,873.73	840,107,471.21	-22.31%	Mainly due to the decrease of hardware business in OTT TV business
Cost of Revenue	370,865,697.74	543,418,506.84	-31.75%	Mainly due to the decrease of hardware business in first quarter
Selling expenses	119,525,577.24	75,322,839.77	58.68%	Mainly due to the increased investment in Xindiantu, and the increase of business development of energy digitalization.

3.3 Explanation for variations in cash flow statement items

Item	Amount for the current period	Amount for the prior period	YoY change (%)	Explanation
Other cash payments related to operating activities	203,350,381.54	139,199,723.99	46.09%	Mainly due to the increased investment in Xindiantu, and the increase of business development of energy digitalization.
Net cash flows from Operating Activities	-139,029,256.98	-445,537,721.70	68.80%	

IV. Company Profile

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