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HISENSE HOME APPLIANCES GROUP CO., LTD.

海信家電集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00921)

2023 FIRST QUARTERLY REPORT

This announcement is made by Hisense Home Appliances Group Co., Ltd. (the “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Cap.571) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

I. IMPORTANT NOTICE

1. The board of directors (the “**Board**”), the supervisory committee, the directors (the “**Directors**”), the supervisors and the senior management of the Company warrant that there are no false representation or misleading statements contained in, or material omissions from, this quarterly report; and jointly and severally accept legal responsibility for the truthfulness, accuracy and completeness of the information contained herein.
2. The person in charge of the Company, the person in charge of the accounting function and the person in charge of the accounting department, warrant the truthfulness, accuracy and completeness of the contents of the financial statements in this quarterly report.
3. All Directors attended the Board meeting for considering and approving the 2023 first quarterly report.
4. The financial statements of the Company for the first quarter of 2023 have not been audited by accountants.
5. The full text of the Company’s balance sheet, income statement and cash flow statement are published on the website as designated by the Shenzhen Stock Exchange for release of information: www.cninfo.com.cn.

II. MAJOR FINANCIAL DATA

1. Major accounting data and financial indicators

Did the Company make retrospective adjustment to or restatement of the accounting data of prior

years?

Yes No

Items	This reporting period	The period last year	Increase or decrease of this reporting period as compared to the corresponding period last year (%)
Operating revenue (RMB)	19,430,480,828.07	18,303,785,340.27	6.16
Net profits attributable to shareholders of listed company (RMB)	615,296,643.26	266,233,233.32	131.11
Net profits attributable to shareholders of listed company after deducting extraordinary profit and loss (RMB)	520,783,170.28	186,128,675.02	179.80
Net cash flow from operating activities (RMB)	886,463,601.52	-202,583,768.60	N/A
Basic earnings per share (RMB/share)	0.45	0.20	125.00
Diluted earnings per share (RMB/share)	0.45	0.20	125.00
Weighted average rate of return on net assets (%)	5.21	2.54	Increase 2.67 percentage points
Items	End of this reporting period	End of last financial year	Increase or decrease at the end of this reporting period as compared to the end of last financial year(%)
Total assets (RMB)	59,473,631,308.87	55,375,550,868.66	7.40
Net assets attributable to shareholders of listed company (RMB)	11,996,579,413.35	11,518,257,281.54	4.15

2.Extraordinary profit and loss items and amounts

Applicable Not applicable

Unit: RMB

Item	Amounts from the beginning of the year to the end of the reporting period	Description
Profits or losses from disposal of non-current assets (including the part written off for provision for impairment on assets)	4,913,146.15	
Government grants recognised in the profits or losses (excluding government grants closely related to the Company's business and are received with fixed amounts or with fixed percentage based on unified standards promulgated by government)	30,451,763.80	
Profit and losses from assets which entrust others to invest or manage	39,369,048.11	
Except for effective hedging operations related to the Company's normal business operations, gain or loss from changes in fair values of transactional financial assets, derivative financial assets, transactional financial liabilities and derivative financial liabilities, and investment gain from the disposal of transactional financial assets, derivative financial assets, transactional financial liabilities, derivative financial liabilities and other investments in debt	31,058,993.39	
Other non-operating income and expenses other than the aforementioned items	43,903,359.74	

Less: Effect of income tax	34,153,899.92	
Effect of minority interests (after tax)	21,028,938.29	
Total	94,513,472.98	--

3. Details of and reasons for changes of the major accounting data and financial indicators

√ Applicable Not applicable

Unit: RMB

Balance Sheet items	Closing balance	Opening balance	Change (%)	Reason for the change
Factoring of accounts receivables	7,417,684,272.37	5,072,959,470.76	46.22	Mainly due to the growth in the Company's scale during the Reporting Period
Short-term borrowings	1,928,890,525.46	1,462,253,713.24	31.91	Mainly due to the increase in borrowings from subsidiaries during the Reporting Period
Contract liabilities	1,869,920,648.12	1,145,145,334.78	63.29	Mainly due to the growth in the Company's scale during the Reporting Period
Long-term borrowings	32,760,051.55	19,808,239.84	65.39	Mainly due to the increase in borrowings from subsidiaries during the Reporting Period
Other comprehensive income	179,645,945.17	121,267,445.50	48.14	Mainly due to the increase in translation differences on foreign currency statements arising from changes in exchange rates
Income Statement items	Closing balance	Opening balance	Change (%)	Reason for the change
Tax and surcharges	150,229,612.45	95,678,503.55	57.02	Mainly due to the growth in the Company's scale during the Reporting Period
Finance expense	-17,001,818.95	-36,297,842.93	N/A	Mainly due to the increase in interest expense
Investment gain	236,484,537.13	142,873,766.63	65.52	Mainly due to the increase in income from long-term equity investments accounted for under the equity method and investment income from wealth management products
Gain from changes in fair values	-7,357,486.64	27,313,295.36	-126.94	Mainly due to the decrease in gain on forward locked exchange business
Impairment losses on assets	-13,615,114.39	-20,563,190.20	N/A	Mainly due to the decrease in inventory falling price loss

Income tax expense	244,379,221.19	175,858,536.09	38.96	Mainly due to the increased profits
Cash Flow Statement items	The balance from the year beginning to the end of this reporting period	The balance of last period	Change (%)	Reason for the change
Cash paid to and for employees	2,306,213,908.09	1,721,329,641.32	33.98	Mainly due to the growth in the Company's scale during the Reporting Period
Cash paid for taxes and surcharges	883,272,691.01	626,842,460.14	40.91	Mainly due to the growth in the Company's scale and the increase in gross margin during the Reporting Period
Cash received from investment income	62,674,702.47	20,361,695.04	207.81	Mainly due to the increase in investment income from wealth management products
Cash received relating to other investing activities	4,010,048,509.51	2,565,754,430.27	56.29	Mainly due to the increase in maturity wealth management products during the Reporting Period
Cash paid relating to other investing activities	4,647,841,863.83	1,785,164,249.34	160.36	Mainly due to the increase in new wealth management products during the Reporting Period
Cash received from borrowings	818,591,957.09	623,775,936.50	31.23	Mainly due to the increase in borrowings from subsidiaries during the Reporting Period
Cash received relating to other financing activities	1,039,627,946.59	232,035,595.09	348.05	Mainly due to the changes in guarantee deposits on bills during the Reporting Period.
Cash paid for repayment of borrowings	334,875,229.97	790,117,447.07	-57.62	Mainly due to the decrease in repayment of bank loans by subsidiaries
Cash paid relating to other financing activities	425,421,297.11	7,008,173.68	5,970.36	Mainly due the newly increased in share repurchase payments and repayment of borrowings

III. Table showing total number of shareholders and the shareholding of the top ten holders of ordinary shares at the end of the reporting period

Unit: shares

Total number of shareholders of ordinary shares at the end of the reporting period	18,673				
The shareholding of the top ten holders of ordinary shares					
Name of Shareholder	Nature of Shareholder	Percentage to the total issued share	No. of shares held	No. of shares held	Situation of pledged,

		capital of the Company		subject to selling restrictions	marked or frozen shares	
					Share status	Quantity
Qingdao Hisense Air-conditioning Company Limited	Domestic general legal person	37.92%	516,758,670	0		
HKSCC Nominees Limited <i>Note1</i>	Foreign legal person	33.60%	457,828,567	0		
The Hong Kong Securities Clearing Company (HKSCC) <i>Note2</i>	Foreign legal person	2.91%	39,650,305	0		
Industrial Bank Co., Ltd. – Fullgoal Xing Yuan Preferred 12-Month Holding Period Hybrid Securities Investment Fund*(興業銀行股份有限公司－富國興遠優選12個月持有期混合型證券投資基金)	Other	0.95%	13,002,029	0		
Hisense Home Appliances Group Co., Ltd. repurchase dedicated securities account*(海信家電集團股份有限公司回購專用證券帳戶)	Other	0.86%	11,699,989	0		
Norges Bank – own funds	Other	0.70%	9,511,581	0		
Zhang Shao Wu	Domestic natural person	0.53%	7,200,000	0		
Industrial and Commercial Bank of China Limited - Guangfa Strategic Preferred Hybrid Securities Investment Fund*(中國工商銀行－廣發策略優選混合型證券投資基金)	Other	0.46%	6,333,403	0		
Industrial and Commercial Bank of China Limited – HFT Reform Driven Flexible Allocation Hybrid Securities Investment Fund *(中國工商銀行股份有限公司－海富通改革驅動靈活配置混合型證券投資基金)	Other	0.39%	5,374,300	0		
China Resources Shenzhen State Investment Trust Limited - CR Trust·Loyal Valley Value China Premium Securities Investment Pooled Trust Plan*(華潤深國投信託有限公司－華潤信託·正心穀價值中國尊享證券投資集合資金信託計劃)	Other	0.36%	4,966,300	0		
The shareholding of the top ten holders of ordinary shares not subject to selling restrictions						
Name of Shareholder	Number of shares held not subject to selling restrictions	Class of shares				
		Class of shares	Quantity			
Qingdao Hisense Air-conditioning Company Limited	516,758,670	RMB ordinary shares	516,758,670			
HKSCC Nominees Limited	457,828,567	Overseas listed foreign shares	457,828,567			
HKSCC	39,650,305	RMB ordinary shares	39,650,305			
Industrial Bank Co., Ltd. – Fullgoal Xing Yuan Preferred 12-Month Holding Period Hybrid Securities	13,002,029	RMB ordinary shares	13,002,029			

Investment Fund*(興業銀行股份有限公司－富國興遠優選12個月持有期混合型證券投資基金)			
Hisense Home Appliances Group Co., Ltd. repurchase dedicated securities account*(海信家電集團股份有限公司回購專用證券帳戶)	11,699,989	RMB ordinary shares	11,699,989
Norges Bank – own funds	9,511,581	RMB ordinary shares	9,511,581
Zhang Shao Wu	7,200,000	RMB ordinary shares	7,200,000
Industrial and Commercial Bank of China Limited - Guangfa Strategic Preferred Hybrid Securities Investment Fund*(中國工商銀行－廣發策略優選混合型證券投資基金)	6,333,403	RMB ordinary shares	6,333,403
Industrial and Commercial Bank of China Limited – HFT Reform Driven Flexible Allocation Hybrid Securities Investment Fund *(中國工商銀行股份有限公司－海富通改革驅動靈活配置混合型證券投資基金)	5,374,300	RMB ordinary shares	5,374,300
China Resources Shenzhen State Investment Trust Limited - CR Trust· Loyal Valley Value China Premium Securities Investment Pooled Trust Plan*(華潤深國投信託有限公司－華潤信託·正心穀價值中國尊享證券投資集合資金信託計劃)	4,966,300	RMB ordinary shares	4,966,300

Note 1: HKSCC Nominees Limited is the nominal shareholder of the Company's non-registered shareholders in H shares. The shares held by HKSCC Nominees Limited are held on behalf of a number of its account participants, among which, Hisense (Hong Kong) Company Limited, a party acting in concert with the controlling shareholder of the Company. By the end of this reporting period, Hisense (Hong Kong) Company Limited held a total of 124,452,000 H shares of the Company as at representing 9.13% of the total number of shares of the Company.

Note 2: HKSCC is the nominal shareholder of the Company's non-registered shareholders in A shares through Shenzhen Connect. The shares held by HKSCC are held on behalf of a number of its account participant.

Among the above shareholders, Qingdao Hisense Air Conditioning Company Limited and Hisense (Hong Kong) Company Limited are related and have no relationship with other shareholders, nor are they parties acting in concert as stipulated in the Administrative Measures for the Takeover of Listed Companies (《上市公司收購管理辦法》). Save as disclosed above, the Company is not aware of whether any shareholders is connected with each other or any of them is a party acting in concert with any of the other within the meaning of Administrative Measures for the Takeover of Listed Companies.

IV. OTHER SIGNIFICANT MATTERS

Applicable Not applicable

This quarterly report is prepared in Chinese and English respectively. In case of inconsistency, the Chinese text of this quarterly report shall prevail over its English text.

By order of the Board of
Hisense Home Appliances Group Co., Ltd.
Dai Hui Zhong
Chairman

Foshan City, Guangdong, the PRC, 27 April 2023

As at the date of this announcement, the Company's executive directors are Mr. Dai Hui Zhong, Mr. Jia Shao Qian, Mr. Yu Zhi Tao, Mr. Hu Jian Yong, Mr. Xia Zhang Zhua and Ms. Gao Yu Ling; and the Company's independent non-executive directors are Mr. Zhong Geng Shen, Mr. Cheung Sai Kit and Mr. Li Zhi Gang.