

Stock Code: 301330 Abbreviation of Securities: ZKTECO Announcement No.: 2025-053

ZKTECO CO., LTD.

2025 1st Quarter Report

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

Important content tips:

1. The Board of Directors, the Board of Supervisors, directors, supervisors and senior management guarantee that the information presented in this report is true, accurate and complete without any false records, misleading statements or material omissions, and will undertake individual and joint legal liabilities.
2. The Company's legal representative, the person in charge of the accounting work, and the person in charge of accounting institution (accounting supervisor) hereby declare that the financial information in this report is true, accurate and complete.
3. Whether the 1st quarter report has been audited
☐ Yes ☒ No

I. Key Financial Data

(I) Main Accounting Data and Financial Indicators

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

☐ Yes ☒ No

	Current reporting period	The same period last year	Increase/decrease in this reporting period compared to the same period last year (%)
Operating revenue (RMB)	413,684,716.15	399,677,922.33	3.50%
Net profit attributable to shareholders of listed companies (RMB)	29,462,660.08	26,334,496.73	11.88%
Net profits attributable to shareholders of listed companies after deducting non-recurring profits and losses (RMB)	25,649,468.40	21,211,610.69	20.92%
Net cash flows from operating activities (RMB)	116,640,635.50	61,516,123.25	89.61%
Basic EPS (RMB/share)	0.1518	0.1363	11.37%
Diluted EPS (RMB/share)	0.1518	0.1357	11.86%
Weighted average return on net assets	0.88%	0.81%	0.07%
	At the end of this reporting period	At the end of the previous period	Increase/decrease in this reporting period compared to the same period last year (%)
Total assets (RMB)	4,094,922,975.61	4,014,623,523.49	2.00%
Owner's equity attributable to shareholders of the listed company (RMB)	3,379,702,033.92	3,350,349,704.08	0.88%

(II) Items and Amounts of Non-recurring Gains and Losses

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Amount during this reporting period	Remarks
Losses and gains from disposal of non-current assets (including the offsetting portion of the provision for asset impairment)	58,293.53	
Government subsidies included in current profits and losses (except those closely related to the normal business of the Company, which are in line with national policies and regulations, enjoyed according to determined standards, and have a continuous impact on the Company's profits and losses)	484,811.19	
Profits and losses from fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises, as well as	4,603,698.26	Mainly due to investment income and fair value changes generated by financial products

the gains and losses arising from the disposal of financial assets and financial liabilities except for effective hedging business related to the normal operation of the Company		
Reversal of the provision on receivables with impairment test conducted on an individual basis	70,000.00	
Other non-operating income and expenses other than the above items	-893,693.62	
Less: income tax impact	425,317.42	
Minority interest impact (after tax)	84,600.26	
Total	3,813,191.68	--

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

☐ Applicable ☒ Not applicable

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

Explanations on classifying any non-recurring gain/loss item mentioned in the "Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No. 1 - Non-recurring Gains and Losses" as recurring profit and loss items

☐ Applicable ☒ Not applicable

The Company does not classify any non-recurring gain/loss item mentioned in the "Explanatory Announcement for Information Disclosure by Companies that Issue Securities to the Public No. 1 - Non-recurring Profits and Losses" as recurring profit and loss items.

(III) Changes and Reasons for Changes in Key Accounting Data and Financial Indicators

☒ Applicable ☐ Not applicable

Unit: RMB

Balance Sheet Items	March 31, 2025	January 1, 2025	Change ratio	Reasons
Long-term receivables	11,053,695.71	5,479,301.55	101.74%	Mainly due to the new employee housing purchase loans added in this period
Notes payable	182,226,141.83	134,784,219.75	35.20%	Mainly due to the extension of the payment terms of some bills in this period, resulting in a rise in the balance of notes payable that have not yet matured
Income Statement Items	January-March 2025	January-March 2024	Change ratio	Reasons
Other income	2,494,924.29	5,343,759.73	-53.31%	Mainly due to the YoY decrease in the amount of government subsidies received in this period
Gains from changes in fair value	3,699,270.41	236,066.72	1467.04%	Mainly due to the increase in income generated during the holding period of the current financial product
Losses from credit impairment	-838,788.09	1,471,208.38	-157.01%	Mainly due to the increase in the bad debt reserve on accounts receivable in this period, while in the previous period, the bad debt reserve was reversed.
Losses from impairment of assets	-3,635,668.31	-2,438,868.00	-49.07%	Mainly due to the increase in the provision for inventory write-downs in the current period
Non-operating expenditure	1,135,460.23	101,483.14	1018.87%	Mainly due to the increase in external donation expenditures and asset write-offs in the current period
Income tax expenses	6,153,847.08	264,464.17	2226.91%	Mainly due to the increase in current income tax recognized by some overseas subsidiaries in the current period
Cash Flow Statement Items	January-March 2025	January-March 2024	Change ratio	Reasons

Net cash flows from operating activities	116,640,635.50	61,516,123.25	89.61%	Mainly due to the decrease in cash flow from the purchase of goods and acceptance of services in the current period
Net cash flows from investing activities	-39,479,863.46	-51,857,022.79	23.87%	Mainly due to the redemption of financial products in the current period and the increase in interest received from financial products compared with the same period of the previous year
Net cash flows from financing activities	-7,042,837.04	-69,620,223.57	89.88%	Mainly due to the payment for the stock repurchase made in the previous period
Net increase in cash and cash equivalents	71,574,920.27	-58,904,092.39	221.51%	Mainly due to the combined impact of the net cash flows generated from operating activities, investing activities and financing activities

II. Shareholder Information

(I) Table of the Total Number of Common Shareholders and the Number of Preferred Shareholders with Resumed Voting Rights and Information about Top Ten Shareholders

Unit: share

Total number of common shareholders at the end of the reporting period		17,648	Total number of preferred shareholders whose voting rights have been recovered at the end of the reporting period (if any)			0
Particulars about the top 10 shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of shares with trading restrictions	Pledge, marking or frozen	
					Share status	Amount
Shenzhen ZKTeco Times Investment Co., Ltd.	Domestic non state-owned corporation	29.80%	58,500,000.00	58,500,000.00	Not applicable	0.00
Che Quanhong	Domestic individual	17.33%	34,022,300.00	34,022,300.00	Not applicable	0.00
Shenzhen JYSJ Investment Enterprise (Limited Partnership)	Domestic non state-owned corporation	7.15%	14,038,400.00	7,053,800.00	Not applicable	0.00
Shenzhen JYHY Investment Enterprise (Limited Partnership)	Domestic non state-owned corporation	7.07%	13,874,950.00	6,960,524.00	Not applicable	0.00
Dongguan LX Investment Partnership Enterprise (Limited Partnership)	Domestic non state-owned corporation	5.03%	9,880,000.00	9,880,000.00	Not applicable	0.00
Shenzhen JY LX Consulting Enterprise (Limited Partnership)	Domestic non state-owned corporation	1.82%	3,567,894.00	2,374,190.00	Not applicable	0.00
Shenzhen JYQL Investment and Consulting Enterprise (Limited Partnership)	Domestic non state-owned corporation	0.54%	1,060,850.00	881,400.00	Not applicable	0.00

Partnership)						
Chen Wanyuan	Domestic individual	0.45%	889,600.00	0.00	Not applicable	0.00
Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No.1 Private Equity Fund	Others	0.42%	822,210.00	0.00	Not applicable	0.00
Hong Kong Securities Clearing Company Limited	Overseas corporation	0.42%	817,837.00	0.00	Not applicable	0.00
Particulars about the top 10 shareholders not subject to trading restrictions (excluding shares lent through refinancing and executive lockup shares)						
Name of shareholder		Number of shares not subject to trading restrictions		Types of shares		
				Types		Amount
Shenzhen JYSJ Investment Enterprise (Limited Partnership)		6,984,600.00		RMB denominated ordinary shares	6,984,600.00	
Shenzhen JYHY Investment Enterprise (Limited Partnership)		6,914,426.00		RMB denominated ordinary shares	6,914,426.00	
Shenzhen JYLX Consulting Enterprise (Limited Partnership)		1,193,704.00		RMB denominated ordinary shares	1,193,704.00	
Chen Wanyuan		889,600.00		RMB denominated ordinary shares	889,600.00	
Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No.1 Private Equity Fund		822,210.00		RMB denominated ordinary shares	822,210.00	
Hong Kong Securities Clearing Company Limited		817,837.00		RMB denominated ordinary shares	817,837.00	
Gu Meijuan		527,000.00		RMB denominated ordinary shares	527,000.00	
GF Securities Co., Ltd. - Bodao Chengzhang Zhihang Stock Securities Investment Fund		446,586.00		RMB denominated ordinary shares	446,586.00	
Changjiang Wealth Asset Management - Bank of Nanjing - Changjiang Wealth - ZKTeco Employee Strategic Placement No.1 Collective Asset Management Plan		363,592.00		RMB denominated ordinary shares	363,592.00	
Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No. 3 Private Equity Securities Investment Fund		348,500.00		RMB denominated ordinary shares	348,500.00	
Explanations on the above shareholder's association or concerted action			Shareholder Che Quanhong is elder brother of shareholder Che Quanzhong from Shenzhen ZKTeco Times Investment Co., Ltd., and son of Che Jun, partner of Dongguan LX Investment Enterprise Partnership (Limited Partnership).			
			The shareholder Che Quanhong holds 76.02% of the equity of Shenzhen ZKTeco Times Investment Co., Ltd., being the controlling shareholder of ZKTeco Times. Meanwhile, Che Quanhong holds 1.18% of the property share of shareholder Dongguan Lixin Investment Partnership Enterprise (Limited Partnership) and 8.65% of the property share of shareholder Shenzhen JYLX			

	Consulting Enterprise (limited Partnership). Che Quanzhong, the younger brother of shareholder Che Quanhong, holds a 23.98% stake in Shenzhen ZKTeco Times Investment Co., Ltd. Che Jun, the father of shareholder Che Quanhong, holds 98.68% of the property share of Dongguan LX Investment Partnership Enterprise (Limited Partnership). In addition, there is no affiliated relationship between the other shareholders of the Company.
Information on Top 10 shareholders of participating in margin trading and short selling business (if any)	Among the top 10 shareholders not subject to trading restrictions, at the period end, Chen Wanyuan held a total of 889,600 A shares of the Company, including 229,500 A shares held through margin accounts and 660,100 A shares held through client credit transaction guaranty securities accounts of Xinda Securities Co., Ltd. Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No.1 Private Equity Fund held a total of 822,210 A shares of the Company at the period end, including 539,700 A shares held through margin accounts and 282,510 A shares held through client credit transaction guaranty securities accounts of CITIC Securities Co., Ltd. Shenzhen Gohedge Fund Management Co., Ltd. - Gohedge Pearl No.3 Private Equity Securities Investment Fund held a total of 348,500 A shares of the Company at the period end, including 0 A shares held through margin accounts and 348,500 A shares held through client credit transaction guaranty securities accounts of Sinolink Securities Co., Ltd.

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of outstanding shares not subject to trading restrictions in the lending of shares through refinancing

☐ Applicable ☒ Not applicable

Changes to the top 10 shareholders and the top 10 shareholders of outstanding shares not subject to trading restrictions compared to the previous period due to reasons related to lending/repayment through refinancing

☐ Applicable ☒ Not applicable

(II) Table of the Total Number of Preferred Shareholders of the Company and the Shareholding of the Top 10 Preferred Shareholders

☐ Applicable ☒ Not applicable

(III) Changes in Restricted Shares

☐ Applicable ☒ Not applicable

III. Other Important Events

☒ Applicable ☐ Not applicable

1. Matters on share capital changes

On December 31, 2024, the Company held the 14th Session of the Third Board Meeting and the 13th Session of the Third Supervisory Board Meeting, respectively, and deliberated and approved the "Proposal on the Achievement of the Attribution Conditions for the First Attribution Period of the Reserved Grant in the 2022 Restricted Share Incentive Plan". The attribution condition for the first attribution period of the reserved grant in the Company's 2022 Restricted Share Incentive Plan has been met. After being reviewed and approved by the Shenzhen Stock Exchange and China Securities Depository and Clearing Co., Ltd. Shenzhen Branch, the number of shares attributed this time was 74,962 shares, with an attributable price of RMB 13.67 per share. The listing and circulation date was January 10, 2025.

As a result of the share attribution this time, the Company's share capital has increased from 196,237,363 shares to 196,312,325 shares.

2. Matters concerning equity incentives and employee stock ownership plans

On January 23, 2025, the Company held the 15th Session of the Third Board Meeting and the 14th Session of the Third Supervisory Board Meeting respectively, and deliberated and approved the "Proposal on the Company's Restricted Share Incentive Plan 2025 (Draft) and Its Abstract" and the "Proposal on the Company's 2025 Employee Stock Ownership Plan (Draft) and Its Abstract" and other related proposals. On February 11, 2025, the Company held the first extraordinary general meeting of 2025 and deliberated and approved the aforementioned related proposals. The Company plans to implement the 2025 Restricted Share Incentive Plan and the 2025 Employee Stock Ownership Plan.

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: ZKTECO CO., LTD.

March 31, 2025

Unit: RMB

Item	Ending Balance	Beginning Balance
Current assets:		
Monetary funds	1,561,284,946.55	1,473,334,905.97
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Trading financial assets	468,571,926.25	491,331,815.79
Derivative financial assets		
Notes receivable	435,520.00	165,450.00
Accounts receivable	508,322,701.41	519,014,337.89
Receivable financing		
Prepayments	23,081,262.08	26,561,472.98
Premiums receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contract receivable		
Other receivables	34,254,589.04	41,144,121.16
Including: interest receivable		
Dividends receivable		
Buying back the sale of financial assets		
Inventories	340,962,708.08	335,306,397.14
Including: Data resources		
Contract assets	212,795.14	212,795.14
Held-for-sale assets		
Non-current assets due within one year	19,373,274.75	20,383,238.35
Other current assets	23,962,943.76	33,070,816.00
Total current assets	2,980,462,667.06	2,940,525,350.42
Non-current assets:		
Loans and advances to customers		
Debt investment	16,732,143.01	15,775,806.16
Other debt investment		
Long-term receivables	11,053,695.71	5,479,301.55
Long-term equity investment	29,135,854.46	28,982,092.23

Other equity instrument investments		
Other non-current financial assets		
Investment real estate	21,094,023.75	21,504,316.77
Fixed assets	599,939,064.51	535,337,384.82
Construction in progress	191,320,520.80	226,445,932.02
Productive biological assets		
Oil and gas assets		
Right-of-use assets	51,116,197.21	48,352,214.14
Intangible assets	99,141,862.51	99,844,396.80
Including: Data resources		
Development expenditures		
Including: Data resources		
Goodwill	511,610.27	512,337.25
Long-term deferred expenses	6,939,147.23	5,555,537.61
Deferred income tax assets	82,485,181.09	81,688,798.50
Other non-current assets	4,991,008.00	4,620,055.22
Total non-current assets	1,114,460,308.55	1,074,098,173.07
Total assets	4,094,922,975.61	4,014,623,523.49
Current liabilities:		
Short-term loan		
Borrowings from the Central Bank		
Borrowings from banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	182,226,141.83	134,784,219.75
Accounts payable	229,894,065.05	225,414,642.83
Advances from customer		
Contract liabilities	74,288,345.80	71,168,318.91
Financial assets sold for repurchase		
Deposit from customers and interbank		
Acting trading securities		
Acting underwriting securities		
Payroll payable	50,357,438.03	53,990,974.31
Taxes payable	17,085,683.98	20,281,098.96
Other payables	40,656,142.11	45,821,035.19
Including: interest payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance accounts receivable		
Liabilities held for sale		
Non-current liabilities due within one year	23,370,428.44	22,822,648.87
Other current liabilities	10,524,391.26	12,060,579.96
Total current liabilities	628,402,636.50	586,343,518.78
Non-current liabilities:		
Reserves for insurance contracts		
Long-term loan	6,576,552.54	7,021,328.89
Bonds payable		
Including: preferred stock		
Perpetual bonds		
Lease liabilities	31,416,828.60	29,108,076.76
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	1,397,699.50	1,420,041.44

Deferred tax liabilities	11,609,155.23	12,730,094.50
Other non-current liabilities		
Total non-current liabilities	51,000,235.87	50,279,541.59
Total liabilities	679,402,872.37	636,623,060.37
Owner's equity:		
Share capital	196,312,325.00	196,312,325.00
Other equity instruments		
Including: preferred stock		
Perpetual bonds		
Capital reserve	2,107,524,258.24	2,107,323,633.23
Less: treasury stock	59,683,228.10	59,683,228.10
Other comprehensive income	41,603,852.49	41,914,807.74
Special reserve		
Surplus reserves	64,002,687.03	64,002,687.03
General risk reserves		
Undistributed profits	1,029,942,139.26	1,000,479,479.18
Total owner's equity attributable to the parent company	3,379,702,033.92	3,350,349,704.08
Minority interests	35,818,069.32	27,650,759.04
Total owner's equity	3,415,520,103.24	3,378,000,463.12
Total liabilities and owner's equity	4,094,922,975.61	4,014,623,523.49

Legal Representative: Jin Hairong. Person in charge of the accounting work: Wang Youwu. Person in charge of accounting institution: Xu Ping

2. Consolidated Profit Statement

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Total operating revenue	413,684,716.15	399,677,922.33
Including: operating revenue	413,684,716.15	399,677,922.33
Interest income		
Premium earned		
Revenue from handling charges and commissions		
II. Total operating cost	374,138,409.35	378,734,196.82
Including: operating cost	202,864,863.26	202,010,525.52
Interest expenses		
Expenses from handling charges and commissions		
Surrender value		
Net payments for insurance claims		
Net provisions for reserves in insurance liability contracts		
Policy dividend expenses		
Reinsurance expenses		
Taxes and surcharges	5,202,318.68	5,753,958.79
Selling expenses	98,332,471.89	103,435,853.37
Administrative expenses	27,600,797.59	25,327,005.16
R&D expenses	51,747,558.16	51,910,740.47
Financial expenses	-11,609,600.23	-9,703,886.49

Including: interest expenses	886,929.78	421,820.99
Interest income	8,267,941.54	13,367,815.49
Plus: other income	2,494,924.29	5,343,759.73
Investment income (loss expressed with "-")	1,490,066.17	1,890,785.10
Including: income from investment in associates and joint ventures	513,545.83	-314,021.14
Gains from derecognition of financial assets measured at amortized cost		
Gains from foreign exchange (loss expressed with "-")		
Gains from net exposure hedging (loss expressed with "-")		
Gains from changes in fair value (loss expressed with "-")	3,699,270.41	236,066.72
Losses from credit impairment (loss expressed with "-")	-838,788.09	1,471,208.38
Losses from impairment of assets (loss expressed with "-")	-3,635,668.31	-2,438,868.00
Gains from disposal of assets (loss expressed with "-")	76,764.11	-39,306.15
III. Operating profit (loss expressed with "-")	42,832,875.38	27,407,371.29
Plus: non-operating revenue	223,295.97	291,427.78
Less: non-operating expenditure	1,135,460.23	101,483.14
IV. Total profit (loss expressed with "-")	41,920,711.12	27,597,315.93
Less: income tax expenses	6,153,847.08	264,464.17
V. Net profit (loss expressed with "-")	35,766,864.04	27,332,851.76
(I) Classification by business continuity		
1. Net profit from continuing operations (net loss expressed with "-")	35,766,864.04	27,332,851.76
2. Net profit from discontinued operations (net loss expressed with "-")		
(II) Classification by ownership		
1. Net profits attributable to shareholders of parent company	29,462,660.08	26,334,496.73
2. Minority shareholders' profit and loss	6,304,203.96	998,355.03
VI. Other comprehensive income - after tax	570,522.83	-3,505,044.17
Net of tax of other comprehensive income attributable to the owner of the parent company	-310,955.25	-3,794,740.86
(I) Other comprehensive income that cannot be transferred to profit or loss		
1. Changes in re-measurement of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of other		

equity instrument investments		
4. Changes in the fair value of the Company's own credit risk		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss	-310,955.25	-3,794,740.86
1. Other comprehensive income that can be transferred to profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserve		
6. Translation difference of foreign currency financial statements	-310,955.25	-3,794,740.86
7. Others		
After-tax net amount of other comprehensive income attributable to the minority shareholders	881,478.08	289,696.69
VII. Total comprehensive income	36,337,386.87	23,827,807.59
Total comprehensive income attributable to owners of the parent company	29,151,704.83	22,539,755.87
Total comprehensive income attributable to minority shareholders	7,185,682.04	1,288,051.72
VIII. Earnings per share (EPS):		
(I) Basic EPS	0.1518	0.1363
(II) Diluted EPS	0.1518	0.1357

In the event of a merger of enterprise under the same control in the current period, the net profit realized by the combined party before the merger is RMB 0.00, and the net profit realized by the combined party in the previous period is RMB 0.00.

Legal Representative: Jin Hairong Person in charge of accounting work: Wang Youwu Person in charge of accounting institution: Xu Ping

3. Consolidated Cash Flow Statement

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	445,854,899.62	525,769,205.79
Net increase in deposits from customers and deposits in banks and other financial institutions		
Net increase in borrowings from the Central Bank		
Net increase in borrowings from banks and other financial institutions		
Cash received from receiving insurance premiums of original insurance contracts		
Net cash received from reinsurance		

business		
Net increase in deposits and investments from policyholders		
Cash received from interest, handling fees and commissions		
Net increase in borrowings from banks and other financial institutions		
Net capital increase in repurchase business		
Net cash received from vicariously traded securities		
Refund of taxes and surcharges	29,381,896.52	21,527,469.95
Cash received from other operating activities	35,114,495.73	31,058,775.61
Subtotal of cash inflows from operating activities	510,351,291.87	578,355,451.35
Cash paid for purchase of goods and rendering of services	150,089,321.95	262,354,081.90
Net increase in loans and advances to customers		
Net increase in deposits in Central Bank and other banks and financial institutions		
Cash paid for original insurance contract claims		
Net increase in lendings to banks and other financial institutions		
Cash paid for interest, handling fees and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	135,482,195.12	143,124,378.64
Payments of all types of taxes	20,753,615.54	30,521,553.88
Other cash payments relating to operating activities	87,385,523.76	80,839,313.68
Subtotal of cash outflows from operating activities	393,710,656.37	516,839,328.10
Net cash flows from operating activities	116,640,635.50	61,516,123.25
II. Cash flows from investing activities:		
Cash received from disinvestment	531,761,884.41	391,746,892.28
Cash received from investment income	2,751,478.31	1,403,273.88
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,905.00	52,261.44
Net cash received from disposal of subsidiaries and other business units		
Cash received from other investing activities		68,155.00
Subtotal of cash inflows from investing activities	534,517,267.72	393,270,582.60
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	60,824,698.34	67,171,779.69
Cash paid for investments	513,172,432.84	377,955,825.70

Net increase in pledge loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities		
Subtotal of cash outflows from investing activities	573,997,131.18	445,127,605.39
Net cash flows from investing activities	-39,479,863.46	-51,857,022.79
III. Cash flows from financing activities:		
Cash received from investors	981,477.49	
Including: cash received by subsidiaries from the absorption of minority shareholders' investments	981,477.49	
Cash received from borrowings		
Cash received from other financing activities		1,678,200.00
Subtotal of cash inflows from financing activities	981,477.49	1,678,200.00
Cash paid for debt repayments	474,169.38	461,997.06
Cash paid for distribution of dividends and profits or payment of interest	38,111.29	40,620.29
Including: dividends and profits paid to minority shareholders by subsidiaries		
Cash paid for other financing activities	7,512,033.86	70,795,806.22
Subtotal of cash outflows from financing activities	8,024,314.53	71,298,423.57
Net cash flows from financing activities	-7,042,837.04	-69,620,223.57
IV. Effect of exchange rate changes on cash and cash equivalents	1,456,985.27	1,057,030.72
V. Net increase in cash and cash equivalents	71,574,920.27	-58,904,092.39
Plus: beginning balance of cash and cash equivalents	1,214,344,327.43	1,317,020,553.02
VI. Closing balance of cash and cash equivalents	1,285,919,247.70	1,258,116,460.63

(II) Implementation of new accounting standards adjustment for the first time starting from 2025. Relevant project information on financial statements at the beginning of the year

☐ Applicable ☒ Not applicable

(III) Audit Report

Whether the 2025 1st Quarter Report has been audited

☐ Yes ☒ No

The Company's Q1 Report has not been audited.

ZKTECO CO., LTD.

Board of Directors

April 29, 2025