

Consolidated Balance Sheet
For the Financial Period Ended 30 June 2019

Goertek Inc

| Subjects | As at 30 Jun 2019 | As at 31 Dec 2018 |
|--|--------------------------|--------------------------|
| | RMB | RMB |
| Current Assets | | |
| Cash and cash equivalents | 3,061,289,319.96 | 2,391,589,146.42 |
| Held-for-trading financial assets | 58,764,687.13 | |
| Financial assets measured at fair value through profit or loss | | 32,133,630.86 |
| Bill receivable | 18,704,330.92 | 19,154,863.05 |
| Trade receivables | 6,503,546,654.82 | 7,191,930,013.52 |
| Prepayments | 265,505,810.79 | 161,082,664.75 |
| Other receivables | 65,401,716.10 | 59,673,955.49 |
| Inventories | 4,682,728,917.63 | 3,548,509,753.70 |
| Other current assets | 253,038,313.36 | 416,107,699.68 |
| Total current assets | 14,908,979,750.71 | 13,820,181,727.47 |
| Non-current assets | | |
| Available for sale financial assets | | 328,150,813.02 |
| Long-term investments | 246,342,746.01 | 247,669,710.76 |
| Other equity instruments | 297,152,668.09 | |
| Property, plant and equipments | 10,987,490,569.94 | 11,117,324,474.69 |
| Construction-in-progress | 1,415,943,750.49 | 1,320,210,388.77 |
| Intangible assets | 2,131,641,164.15 | 2,024,314,164.61 |
| Development expenditure | 338,771,205.83 | 303,168,566.45 |
| Goodwill | 17,825,756.44 | 17,825,756.44 |
| Long-term deferred expenditure | 156,732,225.41 | 144,790,491.79 |
| Deferred tax assets | 189,634,308.66 | 205,031,113.95 |
| Other non-current assets | 234,266,160.56 | 213,788,117.50 |
| Total non-current assets | 16,015,800,555.58 | 15,922,273,597.98 |
| Total assets | 30,924,780,306.29 | 29,742,455,325.45 |
| Current liabilities | | |
| Short-term borrowings | 6,258,997,476.88 | 5,851,710,294.55 |
| Held-for-trading financial liabilities | 78,060,461.43 | |
| Financial assets measured at fair value through profit or loss | | 112,990,718.70 |
| Bill payables | 225,773,970.49 | 328,086,658.38 |
| Trade payables | 6,126,976,374.32 | 5,287,151,933.62 |
| Payment received in advance | 221,091,435.42 | 104,206,438.76 |
| Salary payables | 317,362,336.29 | 549,438,543.14 |
| Income tax payables | 95,376,883.76 | 91,032,452.99 |
| Other payables | 86,094,066.38 | 97,207,084.94 |
| - interest payables | 15,600,946.27 | 21,213,347.24 |
| Non-current payables- current portion | 895,106,624.38 | 1,030,880,716.40 |
| Total liabilities | 14,304,839,629.35 | 13,452,704,841.48 |
| Non-current liabilities | | |
| Long-term borrowings | 667,195,797.34 | 606,423,511.34 |
| Deferred income | 309,526,168.48 | 284,228,900.97 |
| Deferred tax liabilities | 231,988,931.15 | 209,351,731.19 |
| Total Non-current liabilities | 1,208,710,896.97 | 1,100,004,143.50 |
| Total liabilities | 15,513,550,526.32 | 14,552,708,984.98 |
| Shareholders equity | | |
| Share capital | 3,245,103,948.00 | 3,245,103,948.00 |
| Capital reserve | 2,997,147,524.32 | 2,997,147,524.32 |
| Less: treasury stock | 356,880,480.14 | 294,766,978.02 |
| Other comprehensive income | -120,293,296.69 | -112,629,928.32 |
| Reserve surplus | 1,061,825,823.19 | 1,061,825,823.19 |
| Retained earnings | 8,596,197,945.96 | 8,304,597,414.21 |
| Total equity attributable to shareholders of parent company | 15,423,101,464.64 | 15,201,277,803.38 |
| Non-controlling interests | -11,871,684.67 | -11,531,462.91 |
| Total shareholders' equity | 15,411,229,779.97 | 15,189,746,340.47 |
| Total liabilities and equity | 30,924,780,306.29 | 29,742,455,325.45 |

Consolidated Statement of Comprehensive Income
For the Financial Period From 1 January 2019 to 30 June 2019

Goertek Inc

| Subjects | 1 Jan 2019 to 30 Jun 2019 | 1 Jan 2018 to 30 Jun 2018 |
|---|---------------------------------|---------------------------------|
| | RMB | RMB |
| Revenue | 13,575,797,933.18 | 8,426,361,039.89 |
| Cost of sales | 11,462,509,273.24 | 6,618,532,909.18 |
| Business tax and surcharges | 98,592,454.45 | 67,158,096.10 |
| Selling and distribution costs | 255,886,265.91 | 243,969,682.89 |
| General and administrative costs | 365,860,461.71 | 361,755,374.04 |
| R&D expenditure | 666,837,646.52 | 647,476,946.62 |
| Financial costs | 176,665,309.65 | 185,877,370.94 |
| Interest expenses | 149,155,721.67 | 99,901,858.58 |
| Interest income | 9,057,928.35 | 7,952,910.34 |
| Add: other income | 123,217,966.35 | 214,786,303.67 |
| Investment income | -10,026,322.98 | 2,915,987.22 |
| -Share of profits from equity accounted investments | 1,649,680.23 | -4,299,395.80 |
| Gain on fair value revaluation | 39,405,716.79 | |
| Credit losses (negative means loss) | 49,801.78 | |
| Loss on assets impairment | -30,457,126.45 | 967,313.81 |
| Loss on disposal of fixed assets | -20,401,734.17 | -305,193.45 |
| Operating profits | 651,234,823.02 | 519,955,071.37 |
| Add: Other operating income | 5,738,228.67 | 4,203,913.72 |
| Less: Other operating expenses | 11,638,504.97 | 14,587,967.35 |
| Total operating profits | 645,334,546.72 | 509,571,017.74 |
| Less : Income tax expenses | 121,986,235.32 | 76,650,653.01 |
| Net operating profits | 523,348,311.40 | 432,920,364.73 |
| -Net profits from continuing operations | 523,348,311.40 | 432,920,364.73 |
| -Minority interests | -465,840.90 | -11,996,280.95 |
| -Attributable to shareholders of the parent company | 523,814,152.30 | 444,916,645.68 |
| Other comprehensive income, net of tax | -7,590,440.23 | -10,578,334.48 |
| -Attributable to shareholders of the parent company | -7,663,368.37 | -10,655,824.91 |
| Other comprehensive income which will be reclassified subsequently into profit or loss | -7,663,368.37 | -10,655,824.91 |
| -Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit and loss | -186,532.61 | |
| -Change in fair value of available-for-sale financial assets | | -12,810,758.67 |
| -Foreign currency translation adjustment | -7,476,835.76 | 2,154,933.76 |
| - to minority interests | 72,928.14 | 77,490.43 |
| Total Comprehensive income | 515,757,871.17 | 422,342,030.25 |
| Comprehensive income attributable to shareholder of parent company | 516,150,783.93 | 434,260,820.77 |
| Comprehensive income to minority shareholders | -392,912.76 | -11,918,790.52 |
| Basic EPS | 0.16 | 0.14 |
| Diluted EPS | 0.16 | 0.14 |

Consolidated Statement of Cash Flows
For the Financial Period Ended 30 Jun 2019

Goertek Inc

| Subjects | six months ended 30Jun2019 | six months ended 30Jun2018 |
|---|-------------------------------|-------------------------------|
| | RMB | RMB |
| Cash flows from operating activities | | |
| Cash received from selling of goods and services | 14,847,982,847.46 | 11,062,646,305.11 |
| Tax refund | 784,041,078.06 | 809,602,593.51 |
| Cashe received from other operating activities | 257,252,123.80 | 292,197,468.03 |
| Cash inflow from operating activities | 15,889,276,049.32 | 12,164,446,366.65 |
| Cash payment of purchase of goods and services | 10,676,584,857.21 | 8,123,437,405.45 |
| Cash payment of staff related expenses | 2,234,872,104.35 | 2,117,195,698.35 |
| Tax paid | 278,299,527.80 | 338,056,216.58 |
| Cash paid for other operating activities | 664,359,978.31 | 647,785,920.50 |
| Cash outflow from operating activities | 13,854,116,467.67 | 11,226,475,240.88 |
| Net cash generated from operating activities | 2,035,159,581.65 | 937,971,125.77 |
| Cash flow from investing activities | | |
| Cash received from investments | 48,366,000.00 | |
| Cash received from return on investments | 4,924,130.35 | 2,977,734.05 |
| Proceeds from diaposal of fixed assets | 27,114,289.04 | 6,481,572.92 |
| Cash received from other investing activities | 74,674,835.90 | 20,875,835.00 |
| Cash inflow from investing activities | 155,079,255.29 | 30,335,141.97 |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 1,293,703,384.72 | 1,776,151,132.47 |
| Cash paid to acquire investments | 46,414,977.78 | |
| Cash paid for other operating activities | | 19,388,979.00 |
| Cash outflows from investing activities | 1,340,118,362.50 | 1,795,540,111.47 |
| Net cash used in investing activities | -1,185,039,107.21 | -1,765,204,969.50 |
| Cash flow from financing activities | | |
| Dividend received | | 9,674,000.01 |
| Proceeds from bank borrowings | 5,034,212,813.65 | 3,280,336,678.33 |
| Cash received from other financing activities | 652,129,324.66 | 658,440,537.41 |
| Cash inflow from financing activities | 5,686,342,138.31 | 3,948,451,215.75 |
| Repayment of borrowings | 4,644,853,281.58 | 2,916,981,924.59 |
| Cash payments for interest expenses and distribution of dividends or profits | 465,534,828.18 | 419,552,574.60 |
| Cash paid for other financing activities | 774,256,576.35 | 819,232,587.73 |
| Cash outflow from financing activities | 5,884,644,686.11 | 4,155,767,086.92 |
| Cash used in financing activities | -198,302,547.80 | -207,315,871.17 |
| Effects of exchange rate change on cash and cash equivalents | -12,868,768.66 | -37,826,102.74 |
| Effects of exchange rate change on cash and cash equivalents | 638,949,157.98 | -1,072,375,817.64 |
| Cash and cash equivalents at beginning of year | 2,007,869,437.81 | 3,357,847,604.75 |
| Cash and cash equivalents at end of year | 2,646,818,595.79 | 2,285,471,787.11 |