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HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO., LTD.
2019 Fiscal Year Financial Preview

Hangzhou Hikvision Digital Technology Co., Ltd. (hereinafter referred to as the “Company”) and all members of the Board of Directors hereby guarantee that the information presented in this report shall be truthful, accurate and complete of its contents and shall be free of any false records, misleading statements or material omissions.

Note: The 2019 annual financial data provided in this announcement is preliminary accounting data, which has been reviewed by internal audit. The certified public accountants’ audit has not been performed yet. Differences may occur in the finalized audited financial report. Please pay attention to the potential investment risk.

I. Key Accounting Data and Financial Indicators for Fiscal Year 2019

Unit: RMB

	2019	2018	YoY Change (%)
Total Operating income	57,751,920,054.82	49,837,132,481.61	15.88%
Total Operating Profit	13,724,890,025.67	12,334,435,119.54	11.27%
Total Profit	13,772,778,787.43	12,437,204,553.30	10.74%
Net profits attributable to shareholders of the Company	12,398,030,025.03	11,352,132,255.21	9.21%
Basic earnings per share	1.34	1.24	8.06%
Weighted average ROE (%)	30.50%	33.99%	-3.49%
	At the end of 2019	At the end of 2018	YoY Change (%)
Total assets	75,356,152,594.90	63,465,019,931.22	18.74%
Owners’ equity attributable to shareholders of the Company	44,870,902,426.92	37,567,728,835.78	19.44%
Share Capital ^{Note 3}	9,345,010,696.00	9,227,270,473.00	1.28%
Net asset per share attributable to shareholders of the Company	4.80	4.07	17.94%

Note 1: The above financial data is filled in with the Company's consolidated statement data.

Note 2: The amount resulted in the same period of prior year and the beginning balances were retrospectively adjusted for business merger under the common control, and were restated for the first implementation of new financial instrument standards;

Note 3: During the reporting period, the Company's total share capital changed from 9,227,270,473 shares to 9,345,010,696 shares due to the listing, repurchase and cancellation of restricted shares.

II. Information about Preliminary Operational and Financial Results

In 2019, the Company improved management and optimized business structure, while focusing on the Company's advantages. We maintained a high-level investments in Research and Development (R&D), enhanced operational efficiency, improved overall competitiveness, and maintained a sustained and healthy growth in business performance.

In 2019, the Company's total operating income was RMB 57,751,920,054.82, representing a year-over-year growth of 15.88%; total operating profit was RMB 13,724,890,025.67, indicating a year-over-year growth of 11.27%; total profit was RMB 13,772,778,787.43, a year-over-year growth of 10.74%; net profits attributable to shareholders of the Company amounted to RMB 12,398,030,025.03, a 9.21% increase over 2018.

III. Explanation for Any Deviation from Previous Operational Result Guidance

The business performance disclosed in this 2019 financial preview aligned with the 2019 operational result guidance disclosed in 2019 3rd quarter report.

IV. Documents Available for Reference

1. The comparative balance sheet and income statement that signed and sealed by the person in charge of the Company, the responsible person in charge of accounting work, and the person in charge of accounting organization.
2. Internal audit report signed by the person in charge of the internal audit department.

HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO., LTD.

The Board of Directors

February 29th, 2020

Note: This document is a translated version of the Chinese 2019 Fiscal Year Financial Preview (“2019 年度业绩快报”), and the published announcements in the Chinese version shall prevail. The Chinese 2019 Fiscal Year Financial Preview document may be obtained at www.cninfo.com.cn.