



**STUDY ON THE ROLE OF FINANCIAL MANAGEMENT IN
PREVENTING BUSINESS RISKS -- A CASE STUDY OF
CENTURY TIANHONG EDUCATION TECHNOLOGY CO., LTD.**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT OF
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Thematic Certificate

To

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This Independent Study has been Approved as a Partial Fulfillment of the Requirement of International Master of Business Administration in International Business Management

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ABSTRACT

Financial management is a key force that affects the sustainable development of enterprises. Under severe market changes, enterprises need to continuously improve their core competitiveness, establish and improve scientific and effective enterprise financial management systems and risk mechanisms, and strengthen the management and control of enterprise production and operation risks. This study collated and calculated the annual reports of Century Tianhong Education Technology Co., Ltd. from 2019 to 2022. Then, the current situation of financial risk management of Century Tianhong Education Technology Co., Ltd. was presented in terms of solvency, profitability and development ability, and used the financial risk management method to identify and evaluate the financial risk. Through quantitative research on the hypothesis, the research results showed: Century Tianhong Education Technology Co., Ltd. has management problems in terms of solvency, profitability and development ability, and the improvement of these three aspects would have a significant impact on the role of financial management to prevent business risks. The

risks found during the discussion fell into four aspects: 1) Lack of modern capital management and risk prevention awareness; 2) Improper modern management and control of enterprise accounts receivable; 3) The internal control of enterprise financial management was not perfect; 4) Lack of modern financial management mode;The study suggested: 1) To strengthen the concept of capital flow management and risk prevention; 2) To accelerate the modernization of the accounts receivable system; 3) To clarify the cost components of different products; 4) To establish the prevention of harmonious financial management level of enterprises. To scientifically evaluate and predict the future earnings of Century Tianhong Education Technology Co., Ltd. could effectively improve the overall financial management level of the company.

Keywords: financial management, enterprise risk management, risk prevention, enterprise operation risk, harmonious financial management theory

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In retrospect, every moment of my postgraduate life is worth remembering. Even if I don't give up, I will bravely take this step to a new journey. Thank the Siam University for cultivating and thanking the good teachers and friends I met.

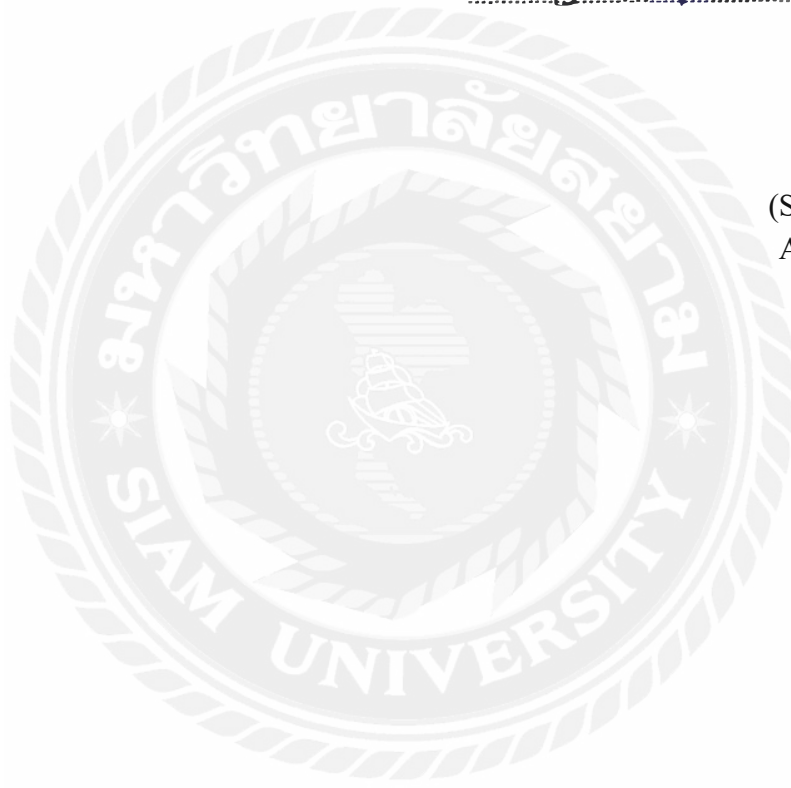
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Finally, I want to thank myself. Thank you for not wasting your beautiful youth and studying hard and living happily every day.

Declaration

I, SUNYANG, hereby certify that the work embodied in this independent study entitled “Study on the Role of Financial Management in Preventing Business Risks -- A case study of Century Tianhong Education Technology Co., Ltd.” is result of original research and has not been submitted for a higher degree to any other university or institution.

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(SUN, YANG)
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CONTENTS

ABSTRACT.....	III
ACKNOWLEDGEMENT	V
CONTENTS.....	VII
TABLE CONTENTS.....	IX
FIGURE CONTENTS	X
Chapter 1 Introduction	1
1.1 Background of the Study	1
1.2 Problem of the Study	2
1.3 Research Questions.....	3
1.4 Objectives of the Study.....	3
1.5 Significant of the Study	4
1.6 Limitation of the Study.....	4
Chapter 2 Literatures Review.....	6
2.1 Introduction	6
2.2 Literature Reviews.....	6
2.3 Theory of Reviews.....	9
2.4 Conceptual Framework.....	11
2.5 Terms and Definition Used in This Study	12
Chapter 3 Research Methodology.....	14
3.1 Research Design	14
3.2 Hypothesis	14
3.3 Population and Sampling.....	14
3.4 Sample Size	15
3.5 Data Collection	15
3.6 Data Analysis.....	16
3.7 Reliability analysis of the scale	16
Chapter 4 Result of the Study	18
4.1 Introduction	18

4.2 Description of statistical variables.....	18
4.3 Results of the Study	22
Chapter 5 Conclusion and Recommendation.....	23
5.1 Conclusion	23
5.2 Discussion.....	23
5.3 Recommendation	26
5.4 Further Study	30
Reference	31
Appendix.....	36



TABLE CONTENTS

Table 3-1 Reliability analysis	16
Table 3-2 for the validity analysis	17
Table 4-1 Century Tianhong Education & Technology Co., Ltddebt paying abilityparse list	18
Table 4-2 Operating Capacity Analysis of Tianhong Education Technology Co., Ltd	18
Table 4-3 Century Profitability Analysis Table of Tianhong Education Technology Co., Ltd	19
Table 4-4 Important index values based on Z model.....	20
Table 4-5 Results of ANOVA.....	20
Table 4-6 The regression analysis.....	21
Table 4-7 Study hypothesis validation table.....	22

FIGURE CONTENTS

FIGURE 2-1 Model Framework..... 11



Chapter 1 Introduction

1.1 Background of the Study

At present, China's macroeconomic situation is that the social and economic aggregate continues to grow, the economic growth rate remains stable, and the economic benefits continue to improve. The economic growth model is changing from expanding quantity and scale to improving economic quality. In the process of the socialist market economy booming, the education science and technology industry, as an essential part of China's economic system, led to more and more small and medium enterprises in the education technology market, enterprise competition is more and more fierce, in promoting China's social and economic development but also facing a lot of business risks, these risks not only affect the development of education technology enterprise itself, and affect the social market economy stable and orderly operation, to people's life and health safety hidden trouble (Alshehhi et al, 2018).

At present, the process of economic globalization is accelerating, and China's economic situation at home and abroad has undergone enormous changes. The economic environment in which enterprises develop has changed dramatically, and consumer demand has also considerably changed with the vigorous development of the Internet economy. The macroeconomic policies are further regulated, and the operational risks faced by some Chinese education technology enterprises are more diversified and complicated (Beer, 2003). Under such circumstances, if Chinese education technology enterprises can not timely operate risk management, it will produce irreparable losses. And the research object - century tian hong education technology co., LTD., relying on high-quality education and science and technology resources, after 20 years of development has become a key enterprise of education industrialization of science and technology, century tianhong main small high education book planning distribution, education informatization product research and development, education services, successfully created represented by "zhihong optimization" domestic teaching books famous brand, the product has covered more than 30 provinces and autonomous regions, and in the local market has a particular influence and popularity. Nevertheless, facing the broad education consumer market of science and technology, century tianhong education technology co., LTD., the production and operation scale could be a lot bigger. Enterprise development needs to break through, especially in 2019-2022, affected by its financial accounting limitations, COVID-19 outbreak, century tianhong education technology co., LTD., development situation, enterprise development demand by serious product homogeneity, capital constraints, such as enterprise development constraints, how to get rid of this dilemma, improve the quality of enterprise development, is the century tianhong urgent education science and technology co., LTD.

So in this paper, the combination of the theory of financial management, unified

management theory and comprehensive risk management theory of century tianhong education technology co., LTD., operating risk is analyzed, on this basis, puts forward the management risk prevention countermeasures, hope to help century tianhong education technology co., LTD., to solve the problems encountered in the development. This is the research context of this paper.

1.2 Problem of the Study

In the 21st century, economic globalization has deepened, and the world's political and economic pattern has been affected. In 2004, the COSO Committee released the Enterprise Risk Management-Integration or ERM Framework. The ERM framework covers eight elements: management environment, risk identification, risk assessment, target selection, management activities, information and communication, supervision, and risk countermeasures. This framework describes the process and standards of comprehensive risk management, which runs through all the production and operation activities of the enterprise.

However, in the era of the planned economy system, the research on enterprise management risk is limited to enterprise risk, and the introduction of business risk management theory is less. Wong (2014) believes that the business operation risk is the probability that the enterprise will bring adverse consequences to the enterprise in the production and operation activities, Analyzing the internal and external risks faced by enterprises from the micro, meso and macro levels, From the production, marketing, human resource management and other aspects of the internal analysis of the enterprise risks; Zhang (2020) holds that operational risk refers to the uncertainty of the enterprise in the process of production and operation, The main factors affecting the operation risk of enterprises include market stability, production cost, product technology level, the ability to adjust prices, the proportion of fixed assets, etc., Therefore, the company must adjust the enterprise management structure through reform, Establish a reasonable risk early-warning system, And through technological progress and innovation to prevent and defuse risks; Wang (2017) believe that with the rise of operational risk, It is more difficult for enterprises to use business activities for spontaneous financing in operation, Facing a higher working capital financing gap, In making the working capital financing decisions, Companies with high operating risk will minimize the use of high-risk financing methods such as short-term financial liabilities, Choose a stable working capital financing as an alternative. Chen et al (2019) systematically analyzed the impact of R & D input on risk, And pointed out that R & D investment and risk show a positive correlation; however, the coefficient of risk generation caused by R & D investment in different industries is different, R & D investment compared with non-technology enterprises, Less likely to lead to business operation risk, The coefficient of risk caused by R & D investment in companies of various sizes also varies, The R & D investment of large and medium-sized companies is less likely to cause risks than that of smaller enterprises; SMEs should resist the negative impact of R & D investment on risk, The need to improve the financial system, Strengthen cash management.

Therefore, this research focuses on how to improve and improve the financial

management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks is the main problem faced.

1.3 Research Questions

Based on this fact, the research question of this study will expand into three aspects:

Q1: Does profitability impact the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks?

Q2: Does the solvency impact the financial management function of Century Tianhong Education Technology Co., Ltd. to prevent business risks?

Q3: Does the development ability impact the financial management function of Century Tianhong Education and Technology Co., Ltd. to prevent business risks?

1.4 Objectives of the Study

On the one hand, the main contents of financial management in the new period include financing management, investment management, operating cost management and income distribution management, in which the links of the core budget include financial analysis, decision-making, control and integration. In the face of the increasingly difficult new market situation, if enterprises want to occupy a place in the market, they must do a good job in managing every link, especially the financial management department that directly affects the operation of enterprises. In general, the financial department comprehensively manages the production and operation activities of enterprises through the evaluation and budget of revenue and output ratio, which is the core and key node of enterprise operation management and risk control, and also an important basis for realizing the modernization of enterprise industrial structure (Wang & Li, 2015). The financial management in the new period is no longer limited to simple bookkeeping and cashier but also affects the optimal allocation of various resources and business implementation within the enterprise. Thus it can be seen that in the production and operation of enterprises, financial management is not only related to the overall income of enterprise projects and operation plans but also can reasonably control the capital chain. On the premise of modern management theory, improve the external environment and internal structure and to ensure the maximum development of enterprise operating profits.

On the other hand, in order to avoid the risks and hidden dangers in the production and operation links of the enterprise, the financial management department of the enterprise must clarify the control objectives of the production and management risks, improve the risk awareness of the staff, and establish a sound risk mechanism and early warning system (Zhao et al, 2021). Comprehensive analysis of the real debt level, inventory turnover and production scale, improve the overall anti-risk ability of the enterprise. At the same time, electronic information technology is used to create an online management platform to supervise the potential hidden dangers in the operation of enterprises in real-time. Based on reducing the production and operation

costs, the production and operation of enterprises have good stability and safety and provide a positive and healthy development environment for production and operation of enterprises.

Therefore, this study combines the research background and problems with three purposes:

1) To determine the existing solvency of Century Tianhong Education Technology Co., Ltd., it has a certain impact on its financial management role to prevent business risks.

2) To determine the existing profitability of Century Tianhong Education Technology Co., Ltd., it has a certain impact on its financial management role to prevent business risks.

3) In order to determine the existing development ability of Century Tianhong Education and Technology Co., Ltd., it has a certain impact on its financial management role to prevent business risks.

1.5 Significant of the Study

Under the above background, the practical conclusion is drawn based on the academic research results. Therefore, this paper will elaborate on the significance of this study in both theoretical and practical aspects.

1.5.1 Theoretical significance

Enterprise harmonious financial management theory research for the existing financial management theory brought fresh blood, the harmonious financial management concept can fully tap the enterprise to create "value" potential: improve employee satisfaction will reduce turnover, focus on customer interests will increase customer viscosity, focus on the public will improve the enterprise credibility, pay attention to the interests of the government will enhance social relations, etc. Therefore, introducing the harmonious management theory with Chinese characteristics into the theoretical system of enterprise financial management realizes the integration of the harmonious management theory and the existing financial theory.

1.5.2 Practical significance

Under the condition of market economy, capital pursues profit, but profit is accompanied by risk. The higher the profit, the greater the risk. When the enterprise risk breaks out, the enterprise loses money and the profit decreases, it will surely reflect the financial risks, which run through the whole process of enterprise business activities. Therefore, from this point of view, play the role of financial management to prevent business risks has practical significance.

1.6 Limitation of the Study

The main theories related to this study need further study. As an independent management discipline, enterprise financial management introduces the theory of harmonious management into the theoretical system of harmonious financial

management, and brings new blood to the existing financial management theory (Zhai, 2021). But the study of harmonious financial management theory due to the relevant scholars attention degree is not high, theoretical literature quantity, pending further research, such as in the harmonious financial management goal is not limited to the maximization of economic and social benefits, should also consider access to the ecological benefits and the equilibrium of the three, remains to be further research.



Chapter 2 Literatures Review

2.1 Introduction

For an enterprise want to guard against risk in production and operation, it must ensure internal cooperation between various departments, according to the law of development of the market economic situation, strictly control the procurement link, production and sales costs, clear the difference between traditional management and modern management and contact, clear the center of enterprise management, strengthen the management of cost control consciousness, combined with the actual situation of an enterprise, standards, standard assessment system (Scheresberg, 2013). In production and operation, the management work is carried out in a planned and organized way to meet the market demand as the goal, ensure the quantity and quality of the products produced in each stage, and improve the economic profit of the products. After the completion of sales, comprehensive analysis of each product's production and operation cycle, timely recovery of funds on the basis of providing high-quality products for customers, improve the recyclable utilization rate of funds so that the enterprise can obtain the highest benefit. Therefore, this chapter explains the content and thinking of the relevant literature by giving an overview of the relevant concepts and defining the current context of this study. Make full use of its rich theoretical support, conduct literature search through the Internet, mainly through CNKI, Google academic website and other resource websites.

2.2 Literature Reviews

Review of the literature related to financial management

Milliken (2009) Research points out that the key to solving financial management is to obtain the support of financial institutions. Most enterprise financial management system is not perfect and does not comply with the requirements of the financial system. Enterprises need to establish a perfect financial system and need complete financial information and efficient financial management; Charles (2011), through the study of enterprises, effective accounting methods and an accounting operation degree is an important measures to achieve the enterprise goals. In addition, the enterprise, in the process of financial management, must consider employee satisfaction, and refers to file the function and role of financial managers need to change: financial managers, in addition to the function of information disclosure, should also make a timely response to major events and behaviour, operating enterprise financial contribution performance, CFO need to have enough professional skills, communication skills, need to have beyond the accounting skills to predict and assess the risk. Yang(2010) studied the differences between companies with social responsibility in information report disclosure. Companies with a sense of social responsibility have made adequate information disclosure and have some constraints

on earnings management. They are less manipulated than non-main business activities and are more transparent in brokerage relationships. By restricting surplus management and controlling incentives, more ethics and social responsibility will be considered, and professional managers will be more effectively encouraged to disclose information. Jeff (2010) systematically studied the impact of more than 200 high-tech enterprises on the development speed of enterprises at the management level. He found that technology management and marketing management are the key factors in the development of enterprises. However, the financial management level has failed to keep pace with the growth speed of enterprises.

Review of the relevant literature on risk management

American scholars put forward the concept of risk management after the 1980s. The American economy developed rapidly at that time, but there were many uncertainties in the environment, resources, market, products and other aspects, and enterprises faced substantial competitive pressure. In order to survive and develop, some enterprises begin to pay attention to risk management, summarize the experience in practice, and improve the level of operation and management (Presber, 2011). In recent years, some enterprises began to pay attention to risk management and established internal control and risk management system. Some enterprises have also established a relatively perfect risk management system to monitor and warn the possible risks early and take timely preventive measures. It can be seen that enterprises' risk management awareness and ability are gradually enhanced. Enterprise risk management is a variety of activities in risk identification, risk assessment and risk control, including the principles, procedures, organizational structure and division of responsibilities of enterprise risk management (Ibrahim & Alqaydi, 2013). In addition, enterprise risk management is a dynamic process including strategic decision-making, process control and environmental construction, which includes the following aspects: (1) conduct a risk assessment of the whole process of enterprise production and operation, that is, identifying various risks; (2) identify various departments and employees in each link and classify them; (3) formulate complementary risk management strategies and measures; (4) evaluate the effectiveness of the formulated risk management strategies; (5) combine the formulated implementation plan with the actual situation and put it into practice. Among them, the first three aspects are the core of enterprise risk management and throughout the whole enterprise risk management activities.

Enterprise risk management, related literature review

Enterprise risk management is a comprehensive concept, including enterprise development strategic planning, resource allocation plan, etc., and the risks of all links in the whole enterprise production and operation (Fong & Khoo, 2015). Its contents include risk management organization system, risk management policy and policy, enterprise strategic objectives, the overall enterprise business objectives and risk management strategy; Identification and evaluation of the risks, including the principles and methods of risk identification and evaluation; The field control systems and control measures, Such as information collection mechanism, analysis and evaluation mechanism; Adjust the deviations occurring during the operation of the

internal control system, Ensure the realization of enterprise strategic goals; To the various accidents occurring in the process of risk management, To evaluate the loss caused by force majeure, And formulate the corresponding risk management countermeasures, Including organizing emergency measures, capital reserves and property preservation. The goal of enterprise risk management is to cultivate the risk awareness of the enterprise and all its members, establish and improve the risk mechanism, and improve the comprehensive ability to resist risks; ensure the debt level, production scale and inventory turnover of the enterprise in the safe area, and establish the critical warning system so that the operators can have good financial stability and business safety; eliminate the hidden risks in operation, and provide an excellent safe business environment. Specifically, the objectives of enterprise risk management include the following four aspects:

(1) Ensure that the enterprise and all its members abide by relevant laws and regulations and industry self-discipline standards, and abide by the law;

(2) The enterprise does not engage in production and business activities prohibited by laws and regulations to ensure that the production and business activities engaged in will not damage the public interests and will not bring negative impact to the society;

(3) Ensure that the enterprise and all its members can avoid legal disputes caused by the breach of contract, reduce the waste of social resources and environmental pollution in the process of performing social obligations and assuming social responsibilities;

(4) The enterprise and all its members shall ensure that the production and business activities they engage in will not cause damage to themselves or others. Once the damage occurs, appropriate measures must be taken to compensate for and eliminate it.

Review of the literature related to operational risks

Falahati & Paim (2012) that the standard of revenue margin can well reflect the business risk, the standard deviation for the enterprise history of three years of primary business income and the ratio of three years of primary business income, the more significant the proportion of the enterprise, the greater the business risk, so with accounts receivable, notes receivable and other accounts receivable the proportion of total assets to measure the enterprise management risk. Weber (2017) Using the financial indicators as the alternative variable of the operational risk of an enterprise, the indicators are designed to comprehensively reflect the size of the operational risk of the enterprise from the three dimensions of solvency, profitability and operating capacity of the enterprise. Rezaee (2018) The coefficient of variation of operating income is used to measure the operational risk of the growth process of an enterprise. The calculation formula of the coefficient of variation is the absolute value of the operating income difference between the first and after two years, except for the total assets of the previous year. Li (2021) believes that the sensitive coefficient of a single variable in the operating leverage coefficient cannot comprehensively reflect the operational risks faced by the enterprise, while the standard deviation rate can better

comprehensively reflect the operational risks of the enterprise. Among them, the standard deviation rate of operating profit is the standard difference between the actual operating profit and the average operating profit divided by the standard operating profit. Hashim & Koon (2017) pointed out that the business risk should be divided into the volatility risk of operating income and the loss risk. Therefore, the choice of profit before interest and tax in the income index can better reflect the change in operating income more than operating income.

2.3 Theory of Reviews

2.3.1 Financial management theory

Financial management is the management of financial relations and financial activities that occur in the process of organizing economic activities (Aydin & Akben, 2019). The maximization of economic benefits is the core of traditional financial management theory and the basic goal of financial management. As a social organization, an enterprise aims not only to pursue the maximization of economic benefits but, more importantly, to realize the common interests and organizational goals of organizational members. In the modern financial management theory, economic interests and social interests are important concepts, emphasizing that enterprises must consider the interests of stakeholders such as shareholders, employees, creditors and the government (Bowen, 2002). Financial management activities are enterprise-centred, and in the process of various economic relations with stakeholders, we should safeguard the legitimate rights and interests of various stakeholders and coordinate the contradictions between various stakeholders. As a social organization, the purpose of enterprise existence is to maximize social value, and the relationship with stakeholders should be harmonious and sustainable development. If the goal is to pursue the maximization of the interests of one of the stakeholders, it is bound to damage the interests of one party and destroy the overall harmony. Shareholders and creditors have invested capital elements for the development of enterprises, employees and managers provide resources and human capital elements, and the government and the public provide social capital elements such as an orderly market environment. They all influence the development of the organization to a certain extent and have the right to enjoy the remaining distribution rights of the organization.

2.3.2 Theory of harmonious management

Coordinating financial relations and optimizing resource allocation is the essential content of harmonious financial management, and maximizing stakeholders' value is the goal of harmonious financial management. The goal of harmonious financial management is to realize enterprise harmony on the premise of meeting the needs of enterprise stakeholders. To maximize the needs of different stakeholders by coordinating the needs of different stakeholders.

The theory of unified financial management mainly includes two aspects: harmonious financial relationship theory and harmonious financial management theory. To build a harmonious financial relationship model by coordinating the needs

of different stakeholders, ensuring all stakeholders' common development, and guiding them reasonably. The theory of harmonious financial management mainly includes the theoretical basis, goal and content of unified financial management and the way to achieve the goal. Establish a unified financial management index evaluation system, and enterprise management activities include corporate governance, strategic planning, investment decision-making, marketing, production and operation and other contents. Enterprises must abide by specific codes of conduct in the process of operation. Based on the original financial index evaluation system, combined with the connotation of harmonious financial management, enterprises' harmonious financial management level is evaluated from the harmony of financial relations, financial activities, the fulfilment of social responsibility and the compliance of ethics. Hira & Loibl (2005) defines the connotation of harmonious financial management from the perspective of stakeholders from four aspects: coordination of different benefits, coordination of different identities, coordination of different goals, and coordination of different capital.

To sum up, the organizational environment is complex, and many factors affect people's behaviour. In order to survive, the organization must solve this uncertainty, and the unified management theory arises at the historic moment to deal with the uncertainty. Unlike other management theories, the harmonious management theory directly focuses on the work objectives and no longer considers the previous management modes, such as leadership, organization, planning, control mode, etc. Tang (2007) builds a strategic system of enterprise harmonious financial development from three aspects: managing growth, pursuing profits and controlling risks. "Harmony theme" is the core problem that the organization urgently needs to be solved in a specific period and environment, in order to achieve the long-term goals of the organization. "Harmony rule" and "harmony rule" are the two tools and methods to realize the "harmonious theme" in the unified management theory.

2.3.3 Comprehensive risk management theory

Operating risk is the possibility that the future operating cash flow of an enterprise changes due to changes in production and operation or the changes in the market environment, thus affecting the enterprise's market value. The degree of change in enterprise value depends on the influence of the future sales volume, price and cost of the enterprise. The effective management of risks can help enterprises to avoid risks, reduce losses, and improve their operating efficiency and profitability. Berk (2012) following the international mainstream risk management ERM framework and the comprehensive risk management guidelines issued in 2006, the comprehensive risk management work should be jointly by enterprise managers and employees, including risk information collection, risk assessment, risk management strategy, formulation and implementation of risk prevention methods, supervision and improvement of risk management. Among them, the assessment of enterprise management risk is the basis of enterprise risk management and the critical content of enterprise operation risk control research. The essence of business risk assessment is to identify, analyze, evaluate and deal with the risks in the business activities to

achieve the purpose of controlling and reducing the risks. Hashim & Koon (2017) mentioned that enterprise management risk assessment is the correct understanding of the business activities in the risk of various risks and the probability and consequences of size, for the enterprise business activities may exist risk identification, analysis, evaluation, evaluation and response, to develop scientific and reasonable risk control strategy and implementation plan, in order to achieve the process of enterprise management goal. Enterprise operation risk assessment is based on evaluating and analysing the realization degree of enterprise goals. It is the objective requirement for the realization of the goal of enterprise value maximization and the sustainable development of the enterprise, and also the objective need for the evaluation and analysis and judgment of the gap between the actual level of the enterprise and the goals to be achieved.

2.4 Conceptual Framework

This paper relies on theoretical support to understand the role of financial management to prevent the essence of business risks. Specific through the century tianhong education technology Co., LTD., the annual report analysis, collect data information century tianhong education technology Co., LTD., analyze the company financial ability, understand the situation of the company's financial management, mining financial risk problems, and for century tianhong education technology Co., LTD., in the financial risk management problems, put forward the feasible improvement Suggestions.

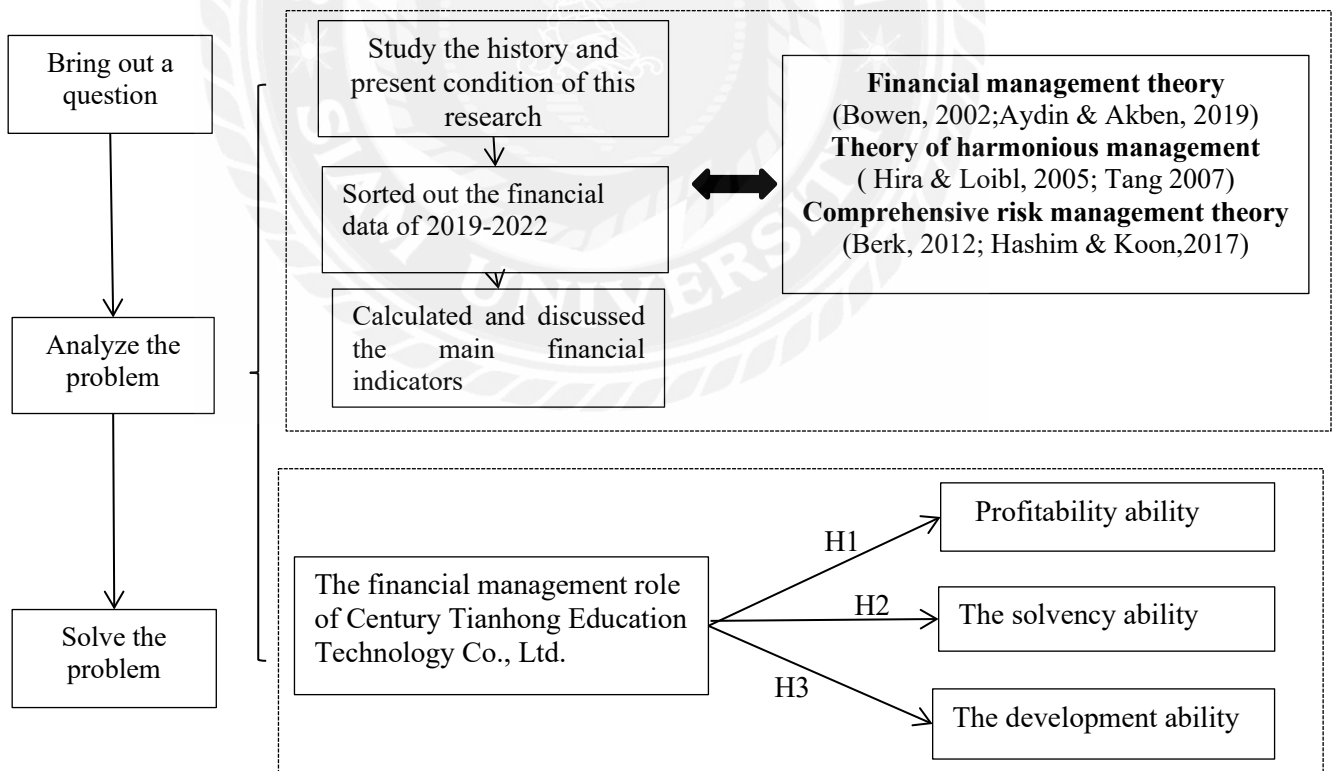


FIGURE 2-1 Model Framework

2.5 Terms and Definition Used in This Study

There are many definitions to be clarified in this study.

Financial management: "Financial management" refers to the efficient and effective management of money (funds) to achieve organizational goals (Bowen, 2002). It is a particular function directly related to the top management. The importance of this function is not only reflected in the "production line" but also in the ability of the whole "employees" of the company (Aydin & Akben, 2019). Different experts in this field have different definitions. This term is generally applicable to the financial strategy of an organization or company. In contrast, personal financial or financial life management refers to some personal management strategies, which include how to raise capital and how to allocate capital, that is, capital budget. Not only the long-term budget, but also the overall budget and how to allocate short-term resources, such as current liabilities.

Risk prevention: Li (2021) believes that the enterprise risk assessment should be completed, and effective preventive measures should be taken according to the assessment results and the development characteristics of the enterprise. Especially when the enterprise financial management activities, it is necessary to establish a complete set of enterprise risk assessment systems, including the analysis of the operating environment, development status and operation mechanism, various factors affecting the development of the enterprise, evaluate and confirm the nature, occurrence probability, possible consequences and the risks and measures according to the evaluation results and analysis, and finally formulate risk response strategies. Furthermore, risk prevention measures are based on the results of the enterprise management risk assessment, targeted preventive measures to reduce the loss to the minimum, specific risk prevention measures: based on the evaluation results, according to the actual situation of enterprise development and ability, develop pertinence, low cost, easy to implement, practical measures. Various risks and problems in enterprise financial management activities, including capital operation, financial accounting information systems and other aspects, may adversely affect enterprises. The preventive measures need to have the possibility of implementation, and the operable preventive measures should be thoroughly combined with the development characteristics and ability of the enterprise.

Enterprise risk management: Enterprise risk refers to the possibility of events that may harm an enterprise goal. In formulating and realizing its goals, an enterprise will encounter a variety of risks, so it needs to carry out risk management (Askari & Krichene, 2014). Enterprise risk management refers to the process in which enterprises develop effective risk management strategies and implement them appropriately. The purpose of enterprise risk management is to reduce the losses caused by various risks to the greatest extent under the premise of complying with the laws and regulations and the industry self-discipline standards, ensure the smooth realization of the enterprise business objectives, and maximize the operational benefits. Enterprise risk management is to improve the operating efficiency based on identifying, evaluating and dealing with various risk factors. Risk management is a

systematic, long-term and strategic project. Enterprise risk management must be established to comply with laws and regulations and industry self-discipline standards and constantly improved and perfected in the implementation process.

Enterprise operation risk: The association means that the enterprise operational risk is the internal risk of the operation when the enterprise does not use the debt. Li Jinsong believes that the operation risk is a deviation between the actual income of the enterprise and the expected income due to the influence of production and operation, resulting in the possibility of suffering losses and obtaining additional income. Wu Wuqing et al. believe that the business risk is the possible loss caused by the change in the business fundamentals of the enterprise, and this loss will be mainly reflected in the change in the company's earnings. Pade-Khene et al (2011) believe that the enterprise experience risk is the possibility of loss caused by the change in sales volume and cost of the enterprise and refers to the uncertainty of the income caused by the non-financial factors of the enterprise. To explain the operational risk, we must clarify the definition of risk, but there needs to be a consistent statement. Some definitions are changing with the deepening of research and change over time.

To summarize the views of the previous scholars, the risk has the following characteristics: 1) the risk can be measured; 2) the risk may bring losses to enterprises and other entities; 3) the risk is generated when the expected situation is inconsistent with the actual situation. The definition of operational risk is the same as risk. There is no consistent view, but summarize the definition of enterprise operation risk by several scholars, has the following characteristics: 1) business risk is generated in the business activities of an enterprise and has nothing to do with financial factors; 2) business risk is reflected in the uncertainty of enterprise income; 3) business risk is a kind of risk. Therefore, this paper believes that business risk is the risk that non-financial factors cause the actual income is different from the expected income.

Chapter 3 Research Methodology

3.1 Research Design

This research mainly, using quantitative research method, forecast enterprise operating risk boundaries, further determine enterprise solvency, profitability, development ability three aspects of financial early warning index, a comprehensive understanding and understanding of enterprise total assets return, cost and sales margins, analyze the real power of enterprise sustainable development, according to the enterprise capital appreciation rate, effective early warning plan, comprehensive prevent production and operation risks. After all, in enterprises' production and operation management, there are various forms and levels of risks and hidden dangers. In order to fundamentally solve such problems, it is necessary to establish and improve a scientific risk early warning mechanism (Askari & Krichene, 2014). Therefore, the operational risk involved in the research institute are various, and there is no consistent statement. However, it can be seen from the literature review that non-financial factors cause operation risk and cause a change in enterprise income. Due to management risk will eventually affect the enterprise's operating income, so this paper reference Cao Yushan measurement of management risk and use the century tianhong education technology co., LTD., 2019-2022 financial data collection and analysis, especially when the century tianhong education technology co., LTD., the business environment is scientific. To better prevent business risks, the financial management department must establish a sound system and strengthen financial management.

3.2 Hypothesis

H1: Profitability significantly impacts the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks.

H2: The solvency significantly impacts the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks.

H3: The development ability significantly impacts the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks.

3.3 Population and Sampling

The Z model can more accurately identify financial risks (Ye et al, 2018). There are five indicators in the Z model, namely, X1 is used to reflect the liquidity of enterprise assets and the scale of enterprise development, X2 and X3 are used to measure the profitability of the enterprise, X4 represents the enterprise value of the company, and X5 focuses on reflecting the operating conditions of the company. In practical application, due to the short operation time of China's stock market, there are still many non-compliance points. The stock price can not well measure the value of the enterprise, so X4 can be changed into the cash recovery rate of total assets, which can take into account not only the profitability of the enterprise but also the cash flow

of the enterprise.

The Z-value model formula is: $Z=1.2X_1+1.4X_2+3.3X_3+0.6X_4+0.999X_5$ (2-1)

X_1 = net operating costs / total assets

X_2 = Retained earnings / Total assets

X_3 = EBITDA / Total assets

X_4 = net operating cash flow / total assets

X_5 = sales revenue / total assets When $Z < 1.81$, the company is poor and likely to go bankrupt; $1.88 < Z < 2.99$, the company's financial position is unstable; $Z > 2.99$ is a safe area and the company operates well.

3.4 Sample Size

Consulted the annual report of Century Tianhong Education Technology Co., LTD., sorted out the financial data for 2019-2022, calculated and discussed the main financial indicators, analyzed the company's financial capabilities, and carried out this study as a sample.

This period was chosen because of 1) the availability of ESG rating data for companies in the S&P 500 Index, 2) the improvement in the maturity and quality of ESG data sources and assessments, and 3) the opportunity to test assumptions during the global crisis. Morgan Stanley Capital International has provided historical ESG rating data for the past five years since its first ESG rating on its online platform. Most companies' first ESG ratings were recorded in 2017 (Gibson et al., 2021). Therefore, 2019 is the starting year for the data studied in this study. As the competition among ESG data suppliers intensifies, the quality of ESG-related products has also improved, evident since 2019 (Gyönyöröová et al., 2021). The challenge of COVID-19 enables us to investigate whether the positive performance of ESG (financial market company) is still effective even during the crisis. As the epidemic continues to spread in 2021 and 2022, including these two years will help our investigation; however, the data for these two years are unavailable at the time of writing.

3.5 Data Collection

In order to analyze the risk status of Century Tianhong Education Technology Co., LTD., this paper systematically analyzes the financial statements of Century Tianhong Education Technology Co., LTD., combined with the historical data of the enterprise, evaluates the operating status of the enterprise in a certain period, understands the financial situation of the enterprise, and analyzes the financial risk of the company.

By analyzing the data obtained by Appendix A, enterprise accounts receivable have been growing rapidly in recent years. The main reason is enterprise credit sales amount with the increase of sales, century tianhong education technology co., LTD., in order to expand sales business, reduce the requirement of the buyer's qualification and reputation, it is very effective to bring market benefits but also make the accounts receivable has a big risk of not back, enterprises should do ageing analysis, for more

than three years of accounts, should be prepared for bad debts, accounts receivable will affect the quality of the company's profits, the company needs to do the risk control.

And in the past two years, the company has started to make profits, and the net profit has also achieved good growth. Compared, the growth trend has been maintained in a stable state, which is also good. The enterprise should also further plan the sales plan so that the revenue can maintain a stable growth trend, so the company should have a detailed and in-depth understanding of the financial situation of the enterprise, increase the control of the financial risk of the enterprise, ensure the good and orderly operation of the enterprise, and maintain the market share.

The total assets show a good growth trend, indicating that the company has achieved stable and expanding development in recent years.

3.6 Data Analysis

The data set used in this study was drawn using the probability sampling technique, which implies that every member of the population has an equal probability of being selected (Blackstone, 2012). Probability sampling helps to identify a representative sample and achieve generalizability. Consequently, this sample allowed us to generalize our findings. After determining the sample data, the data analysis and study were completed by the SPSS software.

The quantitative analysis of this study is mainly based on the selection principle of financial early warning indicators, which can be used to determine the financial early warning indicators: first, solvency. This relevant index plays an extremely important role in predicting the enterprise's financial risk; the second is profitability. In the long run, a company's profitability is the key to staying away from financial risks. Its specific indicators include return on total assets, cost profit margin and sales profit margin; the third is the development ability to reflect the accumulation and sustainable development of the company. The better, the better the development situation, including capital value preservation rate and sales growth rate.

3.7 Reliability analysis of the scale

Cronbach's α is currently the most commonly used measure of reliability (Aydin & Akben, 2019). As long as the α coefficient of Krenbach is above 0.7, its size and data can be considered.

Table 3-1 Reliability analysis

Item	CITC	Delete the Cronbach's Alpha value for the item
Profitability, and related indicators	0.866	0.873
Debt ability, related indicators	0.843	0.851

Development capacity, related indicators	0.873	0.869	0.871
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As can be seen from Table 3-1 above, the Krenbach Alpha value in this study is 0.871, which is very consistent with the criteria, indicating that this hypothesis and the collected data are valid.

Validity analysis is used to study the design rationality of quantitative data, especially attitude scale questions. Analyze the KM0 value. If the value is higher than 0.8, it indicates high validity. If the value is between 0.7 and 0.8, it indicates good validity. If the value is between 0.6 and 0.7, it indicates acceptable validity. If the value is less than 0.6, it indicates poor validity (McLaughlin et al, 2012).

Table 3-2 for the validity analysis

	Factor load coefficient				common linear measure
	divisor1	divisor2	divisor3	divisor4	
Profitability, and related indicators	0.509	0.37	0.25	0.179	0.491
Debt ability, related indicators	0.163	0.697	0.047	0.392	0.669
Development capacity, related indicators	0.335	0.739	0.049	0.201	0.696
Characteristic root value (before rotation)	9.174	1.842	1.433	1.005	—
% Variance interpretation rate (before rotation)	45.8	9.21	7.16	5.02	-
	72%	1%	3%	6%	
Cumulative variance interpretation rate% (before rotation)	45.8	55.0	62.2	67.2	-
	72%	83%	46%	72%	
Characteristic root value (after rotation)	5.548	3.577	2.561	1.768	—
% Variance interpretation rate (after rotation)	27.7	17.8	12.8	8.84	—
	40%	87%	04%	0%	
Cumulative variance interpretation rate% (after rotation)	27.7	45.6	58.4	67.2	—
	40%	27%	31%	72%	
KM0	0.918				—
Bart spherical values	1796.531				-
df	190				-
P	0				-

Chapter 4 Result of the Study

4.1 Introduction

Through carefully reading in the library and network search about the financial risk management journals, literature and works, carefully combing domestic and foreign related literature, summarising the primary financial risk management method, studying the financial risk management process, to further sorting and processing of data, as the original research data in this article. Moreover, refer to century tianhong education technology co., LTD., five years of financial data to discuss the leading financial indicators, analysis of the financial ability by reading the company's annual report, investigation understands century tianhong education technology co., LTD., the present situation of the financial risk management, considering the development of the business, mining the company's financial risk management problems.

In the process of enterprise operation, financial risks are inevitable. Enterprises need to adopt scientific and systematic financial risk management methods, including risk identification, risk assessment and response. According to the relevant theoretical basis, the detailed analysis of financial data collected, this section will mainly the century tianhong education technology co., LTD., nearly three years on necessary data processing through the financial ability analysis method of century tianhong education technology co., LTD., the ability evaluation, further exact analysis of the present situation of century tianhong education science and technology co., LTD. In addition, the Z model analysis method of financial risk is used to evaluate the degree of financial risk of Century Tianhong Education Technology Co., Ltd. to test the hypothesis, get the relationship between variables and variables, and verify the hypothesis proposed in Chapter 2.

4.2 Description of statistical variables

1) Debt solvency analysis

The solvency of the enterprise can not only measure the debt repayment pressure of the enterprise in the short term but also the strength of the solvency affects the enterprise's credibility. When the solvency of the enterprise is poor, if the repayment period, the enterprise will face significant risk to fully repay the debt, easy to cause difficulties in the short-term capital turnover, capital chain fracture, limit the further development of the enterprise, increase the difficulty of refinancing, the solvency can be analyzed through the current ratio and quick ratio.

Table 4-1 Century Tianhong Education & Technology Co., Ltd debt paying ability parse list

name of index	In 2019,	In 2020,	In 2021,	In 2022,
current ratio	1.09	1.34	1.86	1.77
quick ratio	0.54	0.96	1.35	1.41

Comprehensive analysis, the overall performance of enterprises in terms of current ratio and quick ratio is ok. In the past two years, the current ratio of enterprises has gradually increased, approaching the traditional value of 2, but still less than 2, while the quick ratio can be maintained. The inventory can be reasonably arranged according to the specific arrangement of the company's sales situation. Generally speaking, the ability of the enterprise to repay short-term debts is ok. There are sufficient current assets to ensure the orderly short-term carrying out of the enterprise. However, it also has many assets that cannot bring economic benefits to the enterprise.

2) Operation capacity analysis

The operating capacity of an enterprise refers to the ability of an enterprise to use assets to create income, mainly refers to the speed of asset turnover. Analyzing the operation capacity can better understand the operation status of the assets of an enterprise. Compare it with the historical data of the same period or the common value of the same industry to discover the problems in the operation process. The analysis of the operating capacity of an enterprise usually includes calculating the turnover rate of various assets. Below, we will analyze and discuss the above turnover rate of the data of the enterprise from 2014 to 2018.

Table 4-2 Operating Capacity Analysis of Tianhong Education Technology Co., Ltd

Name of index	In 2019,	In 2020,	In 2021,	In 2022,
Average accounts				
Receivable turnover	3.62	3.51	18.03	25.59
Inventory turnover	3.69	1.98	2.15	2.84
Fixed asset turnover	477.06%	209.14%	199.94%	259.17%
Turnover of current	132.40%	83.83%	117.57%	142.50%
Turnover of total Capital	53.08%	30.59%	38.88%	62.88%

When the turnover rate of accounts receivable is relatively high, it indicates that the recovery situation of funds is relatively good, and on the contrary, it indicates that there are too many bad debts. Companies usually set the accounts receivable turnover rate at 3. This is a relatively common value. The receivables turnover rate of Century Tianhong Education Technology Co., Ltd. is very high in 2021 and 2022. The situation of capital recovery is relatively good, and the qualification level of suppliers and buyers is also very well controlled. In the past three years, the accounts receivable turnover rate has gradually declined. For the general capital recovery situation, supplier box buyers' credit risk is still relatively small.

In general, the operating capacity of Century Tianhong Education Technology Co., Ltd. is relatively good, especially in the past two years belongs to the rising stage. The development momentum of the enterprise is still relatively strong, of course, the enterprise can not relax the control of risk management.

3) Profitability analysis

The profitability of an enterprise is essential for an enterprise. In addition to investors' investment, its funds come from the profit of the enterprise. Only when the enterprise has good profitability can it maintain a stable source of funds, provide sufficient development funds for the enterprise and provide support for the development of the enterprise.

Table 4-3 Century Profitability Analysis Table of Tianhong Education Technology Co., Ltd

name of index	In 2019,	In 2020,	In 2021,	In 2022,
Operating profit margin (%)	3.99%	19.37%	13.89%	11.88%
Main business profit margin (%)	12.23%	15.02%	22.39%	19.21%
Margin on total assets (%)	1.55%	5.93%	7.37%	8.48%

As shown in Table 4-3, the operating profit margin of an enterprise refers to the percentage of the operating profit obtained by the daily operation over the net sales, which can mainly reflect the company's operating situation. The company's operating profit margin is in a relatively high position, indicating that the profitability of the company is robust and vice versa. In 2019, the operating profit margin of Century Tianhong Education Technology Co., Ltd. was low. The enterprise may develop a new project and lead to high input costs in the early stage, no profit during the introduction period, or operating problems occur. After that, the enterprise developed actively, and the profit margin began to grow.

Table 4-4 Important index values based on Z model

project	In 2019,	In 2020,	In 2021,	In 2022,
X1	0.3517	0.3724	0.4298	0.5097
X2	0.0593	0.0583	0.0868	0.1109
X3	0.0250	0.0510	0.0785	0.0842
X4	0.0087	0.0127	-0.0018	-0.0124
X5	0.3845	0.2404	0.5346	0.6671
Z	0.97	0.94	1.42	1.70

X_1 to measure the solvency of the enterprise, the solvency of Century Tianhong Education Technology Co., Ltd. gradually increased, the current assets of the enterprise bear relatively small debt risk; in 2019, the enterprise losses, the following years gradually increased, the profitability of the enterprise began to improve, the operation and management level is relatively high, indicating that the utilization effect of enterprise assets gradually improved.

By observing the size of the Z value in table 4-4, can be found that century tianhong education technology co., LTD. Z value are less than 1.81, belong to the scope of possible financial risk, especially in 2019-2020 Z value are less than 1, can say this for a long time, century tianhong education technology co., LTD. Is relatively large financial risk problems. Although the Z-value of Tianhong Education Technology Co., Ltd. has gradually increased in the past two years and has gradually shown a positive trend, the financial risk of the company should not be ignored, and enterprises should pay attention to it.

The variance analysis of the influencing factors is as follows:

Table 4-5 Results of ANOVA

Model		Quadratic	df	Mean square	F	Sig.
1	Regression	40.325	4	10.081	46.477	.000 ^a
	Residual	30.801	142	.217		
	Total	71.125	146			

Predictive variable: Profitability, and related indicators; Debt ability, related indicators; Development capacity, related indicators.

The variance analysis of the regression model in Table 4-5 shows the F value of 46.477 and the P-value of the significance test of 0.000, less than the significant level of 0.05, which indicates that the regression model overall explained the significant level.

The regression analysis of the influencing factors is as follows:

Table 4-6 The regression analysis

model		Non-standardized coefficients		Standard coefficient		Collinearity statistics	
		B	standard error	Beta	t	Sig.	tolerance VIF
1	(constant)	.583	.172		3.392	.001	
	Profitability, and related indicators	.096	.097	.087	-0.994	.322	.398 2.516
	Debt ability, related indicators	.647	.087	.613	7.433	.000	.449 2.227
	Development capacity, related indicators	.094	.071	.088	1.318	.190	.692 1.445

According to Table 4-6 coefficient (a), the standardized coefficients of Profitability, and related indicators, Debt ability, related indicators, Development capacity and related indicators are 0.087, 0.613 and 0.088 respectively, which shows that Profitability has the greatest influence, followed by Debt ability.

4.3 Results of the Study

The specific activities are shown in Table 4-5 below:

Table 4-7 Study hypothesis validation table

Hypothesis	Bear fruit
H1: Profitability has a significant impact on the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks.	found
H2: The solvency has a significant impact on the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks.	found
H3: The development ability has a significant impact on the financial management role of Century Tianhong Education Technology Co., Ltd. to prevent business risks.	found

Combined with the data analysis, the content of the hypothesis explains whether the financial management role of Century Tianhong Education Technology Co., Ltd. prevented enterprise management risks from the aspects of debt paying ability, profitability and development ability. The results were found to have a positive impact, so H1-H3 is effective.

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This paper is mainly based on risk management theory, the present situation of the century tianhong education technology co., LTD., and the century tianhong education technology co., LTD., the preliminary diagnosis in the financial risk management problems, further century tianhong education technology co., LTD. Century tianhong education technology co., LTD., financial risk identification, put forward scientific and feasible improvement Suggestions. Generally speaking, the operating situation of Century Tianhong Education and Technology Co., Ltd. has gradually become stable in recent years, and it still has relatively muscular economic strength, but there are still significant financial risks. In terms of financial risk management, Century Tianhong Education Technology Co., Ltd. still needs more supervision of financial risk, and the financial risk awareness of the company's personnel still needs to continue to be strengthened. Century tianhong education technology co., LTD. Can according to the corresponding Suggestions in the daily operation and financial risk management system, build suitable for the development of the company risk management, system, optimize the risk management workflow, improve the daily financial risk management assessment and regulation, management system, with theoretical support, and has practical application value, strive to do an excellent job of enterprise financial risk management, make the orderly enterprise operation. There are still many areas for improvement in the analysis process of this paper, and further innovation needs to be made, which will be gradually strengthened in the following research.

5.2 Discussion

5.2.1 Lack of modern fund management and risk prevention awareness

Due to the late development of some Chinese enterprises' risk prevention and management institutions, there is no special risk prevention department or professional risk control personnel. The fundamental reason is that the operators need more modern fund management and risk prevention awareness, and they generally believe that the risks of enterprise operations are not controllable. Therefore, enterprises can only invest a little energy and funds to analyze and research the production and operation risks. Hence, there are many loopholes and deficiencies in the internal management system. Moreover, the internal management system of some enterprises needs to be more scientific and reasonable, which aggravates the risk coefficient of the production and operation of enterprises, and has a terrible impact on the development and progress of enterprises. Moreover, Century Tianhong Education Technology Co., Ltd. focuses on production and ignores capital, which leads to the lack of attention and prediction of Century Tianhong Education Technology Co., Ltd. to various risks in the production and operation process, which also leads to various problems in the capital management of the company. Moreover, in Century Tianhong

Education Technology Co., Ltd., due to the lack of risk prevention awareness, operators believe that all risks can be transferred, so in the daily operation of the company, some operators believe that the enterprise as long as it can survive, they often ignore the analysis and research of the market environment and competitors, and the analysis and research in the process of the enterprise.

5.2.3 Improper modern management and control of enterprise accounts receivable

At present, Chinese enterprises widespread products unsalable serious situation, some enterprises to expand the proportion market share, can only use the way of credit sales for product sales, to some extent, increase the accounts receivable of enterprises, coupled with the understanding of customer credit status is shallow and improper control, blind credit sales strategy makes the enterprise capital chain out of balance. At the same time, due to the lack of scientific and comprehensive management and control system of the enterprise, there is no comprehensive analysis of the accounts receivable, resulting in the enterprise cannot reasonably plan the use of funds when dealing with customer credit sales behaviour, resulting in the tension of capital, bringing significant financial risks for the enterprise. With the continuous development of the market economy, the credit system and the legal system are increasingly perfect, and the accounts receivable management and collection work has become more and more critical. However, at present, most enterprises in China still have the management of accounts receivable at a low level, and their management awareness needs to be stronger. They need to control accounts receivable scientifically and reasonably effectively and need a perfect and comprehensive risk prevention mechanism for receivables. Enterprises can not timely and accurately understand the credit rating and credit information, resulting in the lack of an essential barrier in the credit sales process— a credit control system. Century tianhong education technology co., LTD. Currently facing a lot of accounts receivable cannot recover for a long time, bad debts, and accounting phenomenon seriously affected the century tianhong education technology co., LTD., the safety and liquidity, increased, century tianhong education technology co., LTD., operating costs and financial risk. In addition, the traditional accounts receivable system has been unable to meet the needs of modern management of enterprises, leading to the development and progress of Century Tianhong Education Technology Co., Ltd. Traditional accounts receivable management system and the requirements of modern enterprise development, century tianhong education technology co., LTD., lack of scientific and comprehensive accounts receivable management system, without all the accounts receivable information collection, sorting and analysis, cause enterprise internal management chaos, management goal is not clear, not for century tianhong education technology co., LTD., managers to provide decision support.

5.2.3 The internal control of enterprise financial management is not sound

Internal financial control is the most unique system in the financial management department of enterprises, which can ensure the organic combination of enterprise

management and supervision, and avoid the significant risks in production and operation as far as possible. However, in the actual process of enterprise financial management, some enterprises need to pay more attention to the internal control, the management means are backward, and the internal control system is not perfect, leading to many problems in the financial management of enterprises.

First of all, the development of internal control work needs to have the necessary system norms. Many enterprises still need to develop a perfect internal control system, or formulated it but need to be more strict, resulting in the inability to implement it effectively. This requires the enterprise managers to pay attention to the construction and improvement of the internal control system and formulate a reasonable and effective management method and system norms as soon as possible; secondly, the enterprise internal control system does not form a strict assessment system, and there are no corresponding punishment measures for violations. Much financial personnel need to realize the importance of internal control to enterprises' production, operation and management. In the actual enterprise management, however, most of the internal control system and system is not sound, the lack of a complete asset loss responsibility mechanism complicated in restraining financial personnel management behavior and attitude, which increase the enterprise management link abuse power for personal gain, abuse of power, fish in troubled waters irregularities, exacerbated the risk of enterprise production and operation. Century Tianhong Education Technology Co., Ltd. has part-time financial personnel. Although different financial personnel have different responsibilities, they are directly led by the financial department or designated by the superior leaders. This behaviour quickly leads to the illegal operation of the financial personnel for profit, resulting in some economic losses of Century Tianhong Education Technology Co., Ltd., which is impossible to accurately evaluate and predict the possible risks in the process of production and operation. The reason is that most of the Chinese enterprises' internal control system and procedures are not perfect, the business process control and risk control did not form strict assessment mechanisms and the corresponding rewards and punishments, unable to provide a reasonable basis for each work, it is easy to lead to the lack of sound internal supervision system, management irregularities operation occurs.

5.2.4 Lack of modern financial management mode

With the progress of the social economy, Chinese enterprises are also facing a variety of financial problems, and the enterprise use most financial management is traditional financial management, the traditional way of financial management has outstanding defects, cannot adapt to the requirements of the development of market economy, enterprises need to establish and improve the modern, scientific and reasonable financial management system.

First of all, Century Tianhong education technology co., LTD., the traditional financial management system to effectively track accounts receivable and supervision, leads to the company in the process of selling products producing a large number of receivables did not getting timely recovery, accounts receivable in a long time,

causing the poor liquidity, slow turnover, reduce the company's own profit space. Second, the traditional financial management mode did not provide a practical analysis of the company's financial and supervision, challenging to reflect the company's profitability and investment risk, at the same time, it also cannot find the company's shortage of funds and waste, unable to make, century tianhong education technology co., LTD., according to their environment to develop the most suitable for their own financial management system, the lack of market risk and economic risk prediction and analysis, caused the century tianhong education technology co., LTD. Blind investment failure.

Finally, the traditional financial management mode cannot effectively control the cost of Century Tianhong Education Technology Co., Ltd., resulting in the high cost of Century Tianhong Education Technology Co., Ltd., which cannot improve economic benefits to some extent, is not conducive to the optimal allocation and flow of funds and causes serious waste of financial resources; meanwhile, it will bring great production and investment risks to the company.

5.3 Recommendation

5.3.1 Strengthen the concept of capital flow management and risk prevention and control

Since the use cycle of funds involves all stages of the operation of Century Tianhong Education Technology Co., LTD., operators must change the traditional management concept and earnestly implement the allocation of funds between the financial department and other departments. According to the actual development of enterprise operation, increase the regulation of the use of funds and spending, specific can from the following aspects: The management of the financial department needs to realize the capital management of Century tianhong education technology co., LTD. Operation and the role of sustainable development improve their management level and professional quality. Fully grasp the process of capital management and key points, in strict accordance with the state-issued enterprise financial management system and laws and regulations to the overall arrangement and reasonable use of funds, make the development of the enterprise will not be affected by the shortage of funds or too much. The enterprise capital appropriate budget evaluation, realize the century tianhong education technology co., LTD., the value of funds, improve the use efficiency of funds, improve the efficiency of the use of funds. Using modern electronic technology and financial tools, synthesize and summarize the property of Century Tianhong Education Technology Co., Ltd., Ltd., and strictly implement each unit's financial management regulations and management measures to prevent false financial statements in the financial statements.

Establish a sound fund management system, and strictly abide by the implementation. The financial department should establish a perfect fund budget evaluation system, and timely adjust the plan according to the market and the operation conditions of the enterprise, so that the capital can meet the needs of the enterprise operation. At the same time, strengthen the management of cash outflow and accounts collection and strictly regulate the close cooperation of all departments.

Use the rigorous assessment system and approval rules and regulations to reduce unnecessary loss and occupation of funds. Under the correct grasp of the development trend of the external market environment, clarify the new challenges, new opportunities and new problems faced by the production and operation development of enterprises, strengthen the production and operation risks, and strengthen the sense of use and responsibility of financial personnel. Third, we should combine the actual operating conditions of Century Tianhong Education and Technology Co., Ltd. and the external environment. According to the enterprise business activities of the spending to reasonably determine the costs, such as paying bank interest, purchasing inventory costs, taking adequate preventive measures, increasing the risk of market environment change anticipation ability, make the financial personnel can make the proper response to the unpredictable market, improve the speed and efficiency of capital return, give full play to the financial management department to prevent enterprise production and operation risk of a forward-looking and strategic role. Fourth, improve the control risk assessment in advance. It is necessary to set the quota of funds used in combination with the limit standard stipulated by the state, and in the current financial management work, the credit evaluation of existing customers should be comprehensively combed and improved, and the credit rating of wrong customers should be postponed. Century tianhong education technology co., LTD., has always been adhering to the "payment before delivery" policy, closely monitor the production operation each link, and to each link verification, supervision, risk analysis of each trading link for unified control, strengthening the prevention century tianhong education technology co., LTD., production and business operation risk ability.

5.3.2 Accelerate the modernization of the accounts receivable system

In order to adapt to the unpredictable market economic environment, enterprises should speed up the modernization of the accounts receivable system, improve the existing financial management and risk prevention system, strengthen the management rules of internal essential work, and configure professional financial personnel to deal with and control. In terms of financial management, combined with the characteristics of enterprise's production and operation, according to the occurrence of accounts receivable, formulate corresponding management measures and standards, improve the business connection between the financial department, improve the economic contract management and audit procedures, strengthen the financial supervision function, refine the risk control in the process of economic business, to reduce the risk of accounts receivable to minimize. At the same time, the relevant information-sharing mechanism should be established and improved to clarify the responsibility and authority of all departments and posts and clarify the relationship between rights, responsibilities and interests to reduce the malicious arrears, misappropriation and abuse of receivables. The financial personnel should strengthen their own ability construction, improve the professional quality and professional ability level of the relevant staff, and formulate the financial management methods applicable to the actual situation of the enterprise. Because of the problems existing in each link of financial management, the risk responsibility mechanism is

established. While giving full play to the monitoring function of financial management departments, the management and accounting standards of financial personnel should be standardized to avoid production and operation risks and capital losses caused by work mistakes. In the daily operation and management, the financial department should monitor and supervise the capital flow and information flow in real time, establish an early warning mechanism of accounts receivable, and divide it into different levels according to the different occurrences of accounts receivable, so as to reasonably use the time nodes to control risks. From century tianhong education technology co., LTD., when the changes in the collection department timely accounting adjustment, when receivables or income reduction timely response, ensure the accounts receivable income, expenditure and cost to balance, reduce the capital risk generated in the process of enterprise production and operation. Starting from the operating capital of Century Tianhong Education Technology Co., Ltd., enterprises should strengthen the management of inventory in the development process, avoid the phenomenon of inventory backlog, improve the operating procedures of inventory, inventory and other links, and reduce the operating costs of Century Tianhong Education Technology Co., Ltd. At the same time, applicable accounts receivable policies are formulated to regularly track and review the income and expenditure of receivables, and reduce the probability of bad debts and bad accounts. In terms of project funds collection, establish standard contract review visa system, rigorous without authorization, no audit, no rules, complete signing, ensure every economic contract can have laws, rules, once the contract disputes, guarantee the responsibility to track the relevant business personnel, to some extent constraint financial personnel work behaviour and work attitude.

5.3.3 Strengthen the fine and modern management of capital cost control

As an essential way to improve the profitability of enterprises, cost control is an effective strategy to promote the overall planning and dynamic management of budget management. For production and management link possible financial risk, century tianhong education technology co., LTD. Must strengthen the refinement of capital cost control and modern management, insight into financing, investment, to meet the century tianhong education technology Co., LTD., on the basis of the production target, financing plan in advance, avoid production and operation investment and financing caused by capital turnover problems. Through the financial budget and evaluation, strengthen the core competitiveness of the enterprise and the level of cost control, and determine the management indicators to measure the quality of production and operation work. Investigate the implementation of the financial department from time to time, closely monitor the key stage prone to mistakes, and narrow the gap between operation and development goals. Moreover, it is necessary to strengthen the cost control from the production link, reduce the waste phenomenon in the production process, reduce the use of raw materials, and improve the product output as much as possible. Scientific and reasonable planning for the capital turnover, To ensure the level of capital cost control through a scientific and rigorous calculation method, On the basis of improving the production quality and efficiency

of the products, To maximize the value of the enterprise, Through the centralized procurement of raw materials required by Century Tianhong Education and Technology Co., Ltd., Try to minimize procurement costs, While ensuring product quality and production efficiency, To maximize the production efficiency of enterprises, Create more benefits for Century Tianhong Education & Technology Co., Ltd., And to be more comprehensive and objective in conducting market research, A comprehensive analysis of various factors, Using a scientific and rigorous calculation method to determine the product cost components, And the different product cost composition is straightforward.

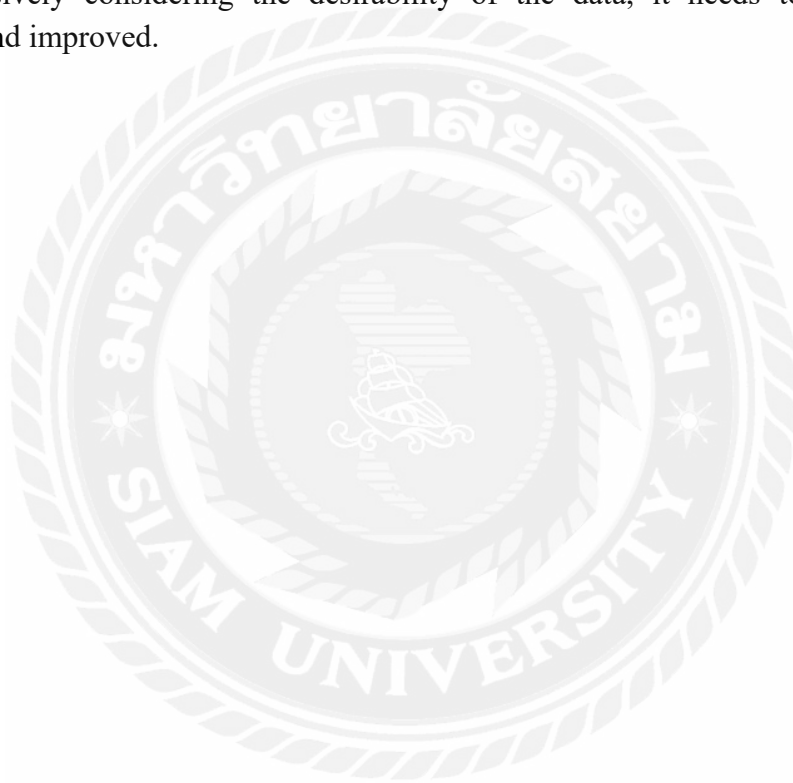
5.3.4 EstablishmentEnterprise harmonious financial management levelbe on guard

Unified financial management is in the process of economic activities, relying on people's subjective initiative to reduce or even eliminate the financial management that does not meet the organisation's expectations, artificial design of capital factor allocation plan, to achieve the maximization of economic and social benefits. So century tianhong education technology co., LTD. Can establish enterprise cost management target responsibility system, and based on the use of "tools" and "and" harmonic tools ", prompting the realization of" harmonious theme " is the result of harmonious financial management, comprehensive scientific evaluation of harmonious financial management level, and evaluate the behavior and results to ensure that the enthusiasm of all departments in the production and operation, further enhance the acceptable management level of the cost of capital. Then, combined with the current development trend and market demand of Century Tianhong Education Technology Co., Ltd., the fund allocation plan is scientifically formulated, to allocate the working capital effectively, to meet the needs of enterprise operation as the core, and to strengthen the supervision and management of production and operation activities. Adjust the product production structure and inventory structure according to the market demand, and strictly control the expenditure in the production link. Formulate relevant financing policies to promote the balance between capital cost and financial risk. Effectively control the risks arising from product sales and inventory links. Another century tianhong education technology co., LTD., need to improve the cost accounting mechanism, set the actual situation of cost control standards and system, especially in the century tianhong education technology co., LTD. Facing the transformation and rapid development stage, constantly innovation and improve the management system, carry out many aspects of total elements of the management work, and set up specific quantitative operation target, actively build the whole business, the whole process, full range of the mechanism, realize century tianhong education technology co., LTD., the optimization of internal factors of production. In addition, the century tianhong education technology co., LTD., need to strengthen the regular maintenance and maintenance of production equipment, closely combined with the actual scale of the production and operation, reduce product fixed inventory, broaden the production organization, planning, material procurement and labor allocation, make full use of the relevant national preferential policies, reduce the cost

of intermediaries, realize century tianhong education technology co., LTD., the modernization of industrial structure.

5.4 Further Study

This article in the study of century tianhong education technology co., LTD., the financial management function to prevent enterprise management risk in the process of not according to different industries, is a category of evaluation system, different types of units in the specific application, there is a certain error, so on the correction index of different industries, need further research. In addition, this paper evaluates the financial management level of Century Tianhong Education Technology Co., Ltd. from three aspects: solvency ability, profitability and development ability. Its comprehensiveness and completeness need to be further studied, while comprehensively considering the desirability of the data, it needs to be further corrected and improved.



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Appendix

Century Tianhong 300654	11.41	-0.05	-0.44%	Volume: 37,814 (hands) Turnover: 43.15 yuan (ten thousand yuan) 2023-02-24 15:34:30
	Today: 11.38 yesterday closed: 11.46 highest: 11.52 lowest: 11.30 turnover: 2.01% Market surplus: 62.15 volume ratio: 0.36 amplitude: 1.92%			

Main indicators

[NEW 1 picture to understand the latest financial data 2022 third quarter>>](#)



Note: Click the name of the indicator in the table to switch the picture to view the historical trend of the indicator

According to the report period by the year by a single quarter

Financial Risk Index	220930	220630	220331	211231	210930	210630	210331	201231	200930
Current ratio	2.910	3.135	3.470	2.594	2.771	3.342	2.715	2.550	2.531
The quick ratio is	2.747	2.982	3.304	2.460	2.547	2.993	2.476	2.404	2.365
Cash Flow Ratio	0.046	0.065	0.039	0.023	-0.125	-0.313	-0.164	0.010	-0.178
Asset-liability ratio (%)	30.08	27.79	25.93	32.49	30.12	24.54	30.59	32.27	32.43
Equity multiplier	1.430	1.385	1.350	1.481	1.431	1.325	1.441	1.476	1.480
Operating energy, force index	220930	220630	220331	211231	210930	210630	210331	201231	200930
Total assets turnover days (days)	853.3	1359	1263	663.3	721.3	1316	1207	735.9	813.5
Inventory turnover days (days)	57.98	84.57	81.64	41.96	56.56	114.4	99.50	51.96	62.90
Days of accounts receivable turnover (days)	173.8	239.1	243.8	155.9	178.3	274.3	281.4	166.8	198.3
Total asset turnover (order)	0.316	0.132	0.071	0.543	0.374	0.137	0.075	0.489	0.332
Inventory Turnover (order)	4.657	2.128	1.102	8.580	4.773	1.573	0.905	6.929	4.292
Turnover rate of accounts receivable (times)	1.554	0.753	0.369	2.309	1.514	0.656	0.320	2.158	1.361

Website home page plus collection mobile client Oriental wealth every day fund network Oriental wealth securities, Oriental wealth futures Choice data stock							1.43
Open	Shareholder research	Core	Information	Company	Peer comparison	memoir	30.08%
Financial	Equity	Company executive capital	Dragon	Agency			
	Main indicator	DuPont analysis	balance sheet	income statement	one hundred percent statement		
		cash flow statement					

three hundred and six million, nine hundred thousand	two hundred and seventy-one million, three hundred thousand	63.61 Million	nine hundred and fifty million, nine hundred thousand	one hundred and sixty-three million, two hundred thousand	--
two hundred and ninety-eight million, nine hundred thousand	one hundred and ninety-eight million, six hundred thousand	31.66 Million	three	--	30.61 Million
one million, eight hundred and fifty-nine thousand	one million, seven hundred and ninety thousand	30.86 Million	hundred and ten million,	--	--
four million, eight hundred and twenty-two thousand	one million, seven hundred and ninety thousand	three million, three hundred and forty-six thousand	nine hundred thousand	26.69 Million	eight million, two hundred and forty thousand
--	eight million, eight hundred and sixty-one thousand		three hundred and sixty-five million, eight hundred thousand	34.76 Million	
--	-two million, three hundred and seventy-nine thousand		--		
	seven hundred and ninety-eight thousand		16.83 Million		
	three million, five hundred and thirty-two thousand		53.18 Million	48.42 Million	--
				sixty-six thousand and forty	--

Note: DuPont analysis is a comprehensive analysis of the profitability of enterprises with the return on equity as the core. In order to focus on the key points, only the key subjects are displayed in the total income, total cost, current assets, and non-current assets subdivision subjects, while some subjects are not displayed. The division of total revenue and total cost is still controversial financially, so the difference between them is not necessarily equal to the net profit.

balance sheet						
According to the reporting period	per annum	Reporting period year-on-year	Year-on-year			
balance sheet		20211231	20201231	20191231	20181231	20171231
circulating assets						
monetary resources		one hundred and twelve million , three hundred thousand	one hundred and two million , two hundred thousand	one hundred and twenty-four million , seven hundred thousand	one hundred and seventy-three million , six hundred thousand	one hundred million , seven hundred thousand
Trading financial assets		two hundred and seventy-seven million , four hundred thousand	two hundred and fifty-two million , three hundred thousand	one hundred and forty-two million , two hundred thousand	--	--
Notes receivable and accounts receivable		one hundred and eighty-one million , eight hundred thousand	one hundred and seventy-four million , five hundred thousand	one hundred and fifty-six million , five hundred thousand	one hundred and fifty-three million , eight hundred thousand	one hundred and eighty-two million , nine hundred thousand
Including: accounts receivable		one hundred and eighty-one million , eight hundred thousand	one hundred and seventy-four million , five hundred thousand	one hundred and fifty-six million , five hundred thousand	one hundred and fifty-three million , eight hundred thousand	one hundred and eighty-two million , nine hundred thousand
advance payment		six hundred and forty-six thousand , eight hundred	four million , five hundred and eighty-eight thousand	seven million , eight hundred thousand	nine million , four hundred and one thousand	11.82 Million
Total of other receivables		16.84 Million	15.16 Million	12.59 Million	11.86 Million	two million , two hundred and eighty-six thousand
Including: other receivables		--	--	--	11.86 Million	two million , two

						hundred and eighty-six thousand
stock	32.1 million	33.38 Million	38.46 Million	46.64 Million	58.29 Million	
Other streams, dynamic assets	thirty-eight thousand and ninety	forty thousand, three hundred and thirty	one hundred million, three hundred thousand	one hundred and twenty million, one hundred thousand	one hundred and fifty million, one hundred thousand	
Total value of current assets	six hundred and twenty-one million	five hundred and eighty-two million, one hundred thousand	five hundred and eighty-two million, seven hundred thousand	five hundred and fifteen million, four hundred thousand	five hundred and six million	
non-current assets						
Long-term shares, rights investment	six million, four hundred and forty-three thousand	one million, seven hundred and fifty-four thousand	one million, six hundred and sixty-two thousand	eight hundred and seventy-one thousand	eight hundred and eighty-two thousand, eight hundred	
Other non-current financial assets	one million, two hundred and fifty thousand	one million, one hundred thousand	one million, one hundred thousand	--	--	
Investment in real estate	12.5 Million	13.08 Million	nine million, six hundred and seventy-six thousand	nine million, seven hundred and forty-nine thousand	nine million, two hundred and thirty-seven thousand	
fixed assets	44.85 Million	48.25 Million	36.32 Million	34.98 Million	37.95 Million	
construction in process	eight million, three hundred and forty-nine thousand	five hundred and twenty thousand	one million, five hundred and eighty-three thousand	--	--	
immaterial assets	34.99 Million	37.64 Million	35.06 Million	34.38 Million	33.53 Million	

Deferred income tax assets	six million, three hundred and eighty thousand	eight million, six hundred and twelve thousand	seven million, six hundred and sixty-two thousand	seven million, seven hundred and twenty-three thousand	seven million, seven hundred and forty-seven thousand
Other non-current assets	39.06 Million	47.88 Million	43.5 Million	40.41 Million	42.01 Million
Total of non-current assets	one hundred and fifty-three million, eight hundred thousand	one hundred and fifty-eight million, eight hundred thousand	one hundred and thirty-six million, six hundred thousand	one hundred and twenty-eight million, one hundred thousand	one hundred and thirty-one million, four hundred thousand
Total assets	seven hundred and seventy-four million, nine hundred thousand	seven hundred and forty million, nine hundred thousand	seven hundred and nineteen million, two hundred thousand	six hundred and forty-three million, five hundred thousand	six hundred and thirty-seven million, four hundred thousand
cash liabilities					
money borrowed for short time	35.28 Million	--	--	--	--
Notes payable and accounts payable	one hundred and fifty-four million, three hundred thousand	one hundred and eighty-three million, two hundred thousand	one hundred and eighty-eight million, three hundred thousand	one hundred and thirty-eight million, four hundred thousand	one hundred and fifty million, five hundred thousand
Among them: notes payable	--	--	--	--	seven million, six hundred and eighty thousand
debit balance in suppliers' account	one hundred and fifty-four million, three hundred thousand	one hundred and eighty-three million, two hundred thousand	one hundred and eighty-eight million, three hundred thousand	one hundred and thirty-eight million, four hundred thousand	one hundred and forty-two million, eight hundred thousand
item received in advance	seven hundred and thirteen	seven hundred and thirteen	three million, five hundred and	four million, seven hundred and	two million, five hundred and two

	thousand, three hundred	thousand, three hundred	sixty- five thousand	eighty- five thousand	thousand
Contract liabilities	four million, three hundred and fifteen thousand	three million, two hundred and nineteen thousand	--	--	--
employee pay payable	10.24 Million	seven million, nine hundred and ninety thousand	seven million, forty- six thousand	six million, eight hundred and eighty- two thousand	six million, two hundred and thirty- one thousand
tax payable	three million, four hundred and ninety- six thousand	five million, five hundred and seventy- three thousand	five million, one hundred and eighty- nine thousand	three million, nine hundred and twenty- seven thousand	four million, two hundred and seventy- eight thousand
Total of other payables	31 Million	27.54 Million	25.89 Million	25.63 Million	35.7 Million
Among them: interest payable	thirty- nine thousand, seven hundred and seventy	--	--	--	--

website homepageAdd it to hide himThe payment client	Fortune Securities	Futures Choice data	Sto	entryMy dishes are dealing in	Base 3 gold
Flow disk negative debt must read the total	Informati	The company	Company profile	Compare 1 surplus	Study 1.
non-deferred	eight	seven	nine	10.62	12.06
11a011111es	Main indicators	Asset 25	income statement	Flow rate table	9, 12, 900
Total of non-current liabilities	12.34 Million	10.85 Million	10.81 Million	11.13 Million	12.45 Million
Total liabilities	two hundred and fifty- one million, eight hundred	two hundred and thirty- nine million, one hundred	two hundred and forty million, seven hundred thousand	one hundred and ninety million, eight hundred thousand	two hundred and eleven million, six hundred thousand

	thousand	thousand	d	d	d
Owners 'equity (or shareholders' equity)					
Paid-in capital (or share capital)	one hundred and eighty-two million	one hundred and eighty-two million	one hundred and forty million	one hundred and forty million	93.35 Million
capital reserve	one hundred and sixteen million , five hundred thousand	one hundred and sixteen million , five hundred thousand	one hundred and fifty-eight million , five hundred thousand	one hundred and fifty-eight million , five hundred thousand	two hundred and five million , two hundred thousand
Other comprehensive, combined income	--	--	--	four hundred and forty-one thousand, eight hundred	one million , one hundred and seventy thousand
surplus public accumulation	28.86 Million	25.32 Million	21.83 Million	18.25 Million	15.31 Million
undistributed profit	one hundred and eighty-five million	one hundred and sixty-nine million , four hundred thousand	one hundred and fifty million , one hundred thousand	one hundred and twenty-nine million , five hundred thousand	one hundred and nine million , nine hundred thousand
Total shareholder equity attributable to the parent company	five hundred and twelve million , five hundred thousand	four hundred and ninety-three million , three hundred thousand	four hundred and seventy million , five hundred thousand	four hundred and forty-six million , seven hundred thousand	four hundred and twenty-five million
Minority shares, east equity	10.65 Million	eight million , five hundred and sixty-one thousand	seven million , nine hundred and fifty thousand	six million , fourteen thousand	seven hundred and sixty-four thousand, five hundred
Total amount of shareholders' equity	five hundred and twenty-three million , one hundred thousand	five hundred and one million , nine hundred thousand	four hundred and seventy-eight million , five hundred thousand	four hundred and fifty-two million , seven hundred thousand	four hundred and twenty-five million , seven hundred thousand

	d		d	d	d
Total liabilities and shareholders' equity	seven hundred and seventy-four million, nine hundred thousand	seven hundred and forty million, nine hundred thousand	seven hundred and ninety million, two hundred thousand	six hundred and forty-three million, five hundred thousand	six hundred and thirty-seven million, four hundred thousand
Audit opinion (domestic territory)	Standard without reservations	Standard without reservations	Standard without reservations	Standard without reservations	Standard without reservations

income statement

According to the reporting period	per annum	Quarterly	Reporting period year-on-year	Year-on-year	Quarterly month-on-month			
income statement			2022-0930	2022-0630	2022-0331	20211231	2021-0930	
gross revenue			two hundred and ninety-eight million, nine hundred thousand	one hundred and twenty million, three hundred thousand	64.46 Million	four hundred and eleven million, four hundred thousand	two hundred and seventy-five million, seven hundred thousand	
operating receipt			two hundred and ninety-eight million, nine hundred thousand	one hundred and twenty million, three hundred thousand	64.46 Million	four hundred and eleven million, four hundred thousand	two hundred and seventy-five million, seven hundred thousand	
Total operating cost			two hundred and sixty-four million	one hundred and fourteen million, nine hundred thousand	59.82 Million	three hundred and sixty-eight million, three hundred thousand	two hundred and fifty million, eight hundred thousand	
cost in business			one hundred and ninety-eight million, six hundred thousand	79.84 Million	41.43 Million	two hundred and eighty million, nine hundred thousand	one hundred and ninety million, four hundred thousand	
Taxes and Additional			one million, seven hundred and ninety thousand	one million, two hundred and thirty-five	five hundred and fifty-one thousand	two million, one hundred and forty-three	one million, six hundred and twenty-four	

	d	thousand		thousand	thousand
selling expenses	31.66 Million	13.24 Million	seven million, five hundred and sixty thousand	42.54 Million	27.14 Million
general expenses	30.86 Million	18.98 Million	nine million, one hundred and forty-one thousand	39.3 million	28.93 Million
research and development expenditure	three million, three hundred and forty-six thousand	two million, one hundred and seventy-five thousand	nine hundred and twenty-one thousand, three hundred	four million, two hundred and twenty-two thousand	three million, two hundred and ninety-six thousand
cost of financing	-two million, two hundred and forty-nine thousand	-six hundred and eleven thousand, one hundred	two hundred and fifteen thousand	-eight hundred and twenty-two thousand	-six hundred and sixty-six thousand, two hundred
Including: interest expense	one million, nine hundred and sixty-two thousand	one million, one hundred and fifteen thousand	four hundred and forty-three thousand	thirty-nine thousand, seven hundred and seventy	--
interest revenue	four million, one hundred and sixty-one thousand	one million, seven hundred and forty-one thousand	two hundred and eighteen thousand, eight hundred	nine hundred and twenty-four thousand, one hundred	seven hundred and twenty thousand, seven hundred
Other operating income					
Plus: income from changes in fair value	four million, eight hundred and twenty-two thousand	four million, three hundred and five thousand	three million, seven hundred and four thousand	two million, three hundred and fifty-nine thousand	three million, eight hundred and twenty-five thousand
yield	one million, eight hundred and fifty-	two hundred and thirty thousand	-four hundred and eighty thousand, five	10.86 Million	six million, nine hundred and seventy

	nine thousand		hundred		-nine thousand
Among them: the investment income of joint venture enterprises and joint ventures	-five million, eight hundred and forty-one thousand	-three million, six hundred and twenty-three thousand	-nine hundred and twenty-nine thousand, three hundred	three million, three hundred and forty-five thousand	two million, sixty-eight thousand
Asset disposal income	--	--	--	forty-seven thousand, four hundred and seventy	forty-seven thousand, four hundred and seventy
Asset Impairment loss (new)	-two million, three hundred and seventy-nine thousand	-one million, six hundred and fifty-six thousand	-four hundred and eighty-one thousand, one hundred	-four million, one hundred and sixty-two thousand	-one million, five hundred and ninety-two thousand
Credit impairment loss (new)	seven hundred and ninety-eight thousand, eight hundred	one million, four hundred and sixty-five thousand	one million, forty-six thousand	-seven hundred and seventy thousand, four hundred	eight hundred and ninety-seven thousand, three hundred
miscellaneous incomes	nine hundred and fifty-one thousand, eight hundred	five hundred and ninety thousand, five hundred	three hundred and five thousand, three hundred	one million, seven hundred and forty-three thousand	one million, three hundred and fifty-three thousand
operating profit	40.93 Million	10.41 Million	eight million, seven hundred and twenty-eight thousand	53.16 Million	36.41 Million
Plus: non-operating income	four hundred and four thousand, three hundred	two hundred and sixty thousand, one hundred	one hundred and thirty thousand, two hundred	four hundred and ninety-three thousand, four hundred	three hundred and eighty-three thousand, seven hundred
Less: non-operating expenses	three million, five hundred and thirty-two	two hundred and ninety-two thousand, five	twelve thousand, eight hundred and ninety	five million, four thousand	four million, seven hundred and seventy-two

	thousand	hundred			thousand
total profit	37.81 Million	10.37 Million	eight million, eight hundred and forty-six thousand	48.65 Million	32.02 Million
Reduced: income tax	eight million, eight hundred and sixty-one thousand	two million, two hundred and eighty-seven thousand	one million, four hundred and forty-seven thousand	13.01 Million	eight million, forty-one thousand
net margin	28.95 Million	eight million, eighty-six thousand	seven million, three hundred and ninety-eight thousand	35.64 Million	23.98 Million
(1) Classification by business continuity					
Net profit from continuing operations	28.95 Million	eight million, eighty-six thousand	seven million, three hundred and ninety-eight thousand	--	23.98 Million
(2) Classification according to the ownership ownership					
Net profit attributable to the shareholders of the parent company	27.4 Million	seven million, five hundred and three thousand	six million, five hundred and seventy-two thousand	34.64 Million	23.14 Million
Minority shares, east profit and loss	one million, five hundred and forty-seven thousand	five hundred and eighty-two thousand, six hundred	eight hundred and twenty-six thousand, two hundred	nine hundred and ninety-four thousand, four hundred	eight hundred and thirty-nine thousand, six hundred
Net profit after deducting non-recurring gains and losses	23.97 Million	three million, six hundred and twenty-one thousand	three million, five hundred and twenty-one thousand	26.96 Million	17.77 Million
earnings per share					

Basic earnings per share	0.1400	0.0380	0.0310	0.1900	0.1300
diluted earnings per share	0.1400	0.0380	0.0310	0.1900	0.1300
total comprehensive income	28.95 Million	eight million , eighty- six thousan d	seven million , three hundred and ninety- eight thousan d	35.64 Millio n	23.98 Millio n
Total comprehensive income attributable to the shareholders of the parent company	27.4 Millio n	seven million , five hundred and three thousan d	six million , five hundred and seventy- two thousan d	34.64 Millio n	23.14 Millio n
Total consolidated income attributable to minority shareholders	one million , five hundred and forty- seven thousan d	five hundred and eighty- two thousan d, six hundred	eight hundred and twenty- six thousan d, two hundred	nine hundred and ninety- four thousan d, four hundred	eight hundred and thirty- nine thousan d, six hundred
Audit opinion (domestic territory)	---	---	---	Standard without reservations	---

cash flow statements

https://emweb.securities.eastmoney.com/PC_HSF10/FinanceAnalysis/Index?type=web&code=SZ3006543/5

<p>Website first by Mobile customers Fang wealth, netreport 东方财富 证券财经 C single ho Sto Log on to my menu,</p> <p>2022-0930 2022-0630</p> <p>warpOperation camp live Business analysis of Informa Corpora Company profile Compare earnings memoir</p> <p>wealth 东方财富 Product, mentioned now 东方财富 基金 2. move Associated fund flow 8055 The 4 intelligence²</p> <p>Assets of income flow neter 14 ou</p> <p>to business activities DuPont analysis</p>						
Subtotal of cash inflows from operating activities	two hundred and eighty- seven million , seven hundred thousan d	one hundred and seventy- one million	81.8 millio n	four hundred and sixteen million , eight hundred thousan d	million , eight hundred and fifty thousan d	Million
Cash paid for purchasing goods and receiving labor services	one hundred and seventy	93.39 Millio n	37.94 Millio n	two hundred and ninety-	two hundred and nine	

	-four million, nine hundred thousand			six million, six hundred thousand	million, one hundred thousand
Cash paid to and for employees	64.22 Million	39.33 Million	22.03 Million	66.79 Million	50.09 Million
All taxes and fees paid for	seven million, six hundred and seventy thousand	five million, six hundred and twenty-six thousand	six million, sixty-four thousand	12.13 Million	seven million, five hundred and seventy-two thousand
Payment of other cash related to operating activities	25.9 Million	14.45 Million	five million, seven hundred and thirty-seven thousand	35.7 Million	37.31 Million
Subtotal of cash outflow from operating activities	two hundred and seventy-two million, seven hundred thousand	one hundred and fifty-two million, eight hundred thousand	71.77 Million	four hundred and eleven million, two hundred thousand	three hundred and four million, one hundred thousand
Net cash flow generated from operating activities	14.99 Million	18.16 Million	10.03 Million	five million, six hundred and eleven thousand	-25.95 Million
Cash flows resulting from investment activities					
Recovery cash received from the investment	eight million, seventy thousand	eight million, seventy thousand	seven million, seventy thousand	15.9 Million	four million, five hundred thousand
Cash received from the investment income	23.41 Million	20.21 Million	16.21 Million	nine million, six hundred and eighty-eight thousand	five million, five hundred and fifty-nine thousand
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets	--	--	--	seventy thousand and fifty	sixty-four thousand, six hundred and ninety
Disposition of cash received by subsidiaries	--	--	--	two	two

and other business units					hundred and eighty-one thousand, eight hundred	hundred and eighty-one thousand, eight hundred
Other cash received in connection with the investment activities	three hundred and sixty-nine million	two hundred and fifty-nine million	one hundred and fifteen million		six hundred and fifty million	five hundred and ten million
Subtotal of cash inflows from investment activities	four hundred million, five hundred thousand	two hundred and eighty-seven million, three hundred thousand	one hundred and thirty-eight million, three hundred thousand		six hundred and seventy-five million, nine hundred thousand	five hundred and twenty million, four hundred thousand
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	13.29 Million	10.95 Million	eight million, seventeen thousand		11.69 Million	eight million, three hundred and two thousand
Cash paid for by the investment	26.55 Million	26.55 Million	one million		six million, fifty thousand	--
Pay other cash related to investment activities	four hundred and fifty-one million	two hundred and eighty million	one hundred and thirty million		six hundred and seventy-five million	four hundred and sixty million
Subtotal amount of cash outflows from investment activities	four hundred and ninety million, eight hundred thousand	three hundred and seventeen million, five hundred thousand	one hundred and thirty-nine million		six hundred and ninety-two million, seven hundred thousand	four hundred and sixty-eight million, three hundred thousand
Net cash flow generated from investment activities	-90.37 Million	-30.22 Million	-seven hundred and thirty-six thousand, four hundred		-16.8 million	52.1 million
Cash flow generated from financing activities						
Cash received from the absorption investment	two hundred and forty million	two hundred and forty million	two hundred and thirty-five million, six hundred		two million, eight hundred and fifty-five thousand	two million, eight hundred and fifty-five thousand

			thousand	d	d
Among them: cash received by subsidiaries by absorbing minority shareholders	one million, eight hundred and sixty-two thousand	one million, eight hundred and sixty-two thousand	--	two million, eight hundred and fifty-five thousand	two million, eight hundred and fifty-five thousand
Cash received from obtaining loans	52.61 Million	52.61 Million	12.67 Million	35.28 Million	--
Subtotal of cash inflows from financing activities	two hundred and ninety-two million, six hundred thousand	two hundred and ninety-two million, six hundred thousand	two hundred and forty-eight million, three hundred thousand	38.13 Million	two million, eight hundred and fifty-five thousand
Cash paid for distributing dividends, profits, or paying interest	17.8 Million	16.96 Million	four hundred and twenty-six thousand, four hundred	16.81 Million	16.81 Million
Among them: dividends and profits paid by subsidiaries to minority shareholders	--	--	--	one million, three hundred and thirty-five thousand	one million, three hundred and thirty-five thousand
Other cash paid for in relation to financing activities	eight hundred and forty-three thousand, eight hundred	eight hundred and forty-three thousand, eight hundred	twenty-nine thousand, eight hundred and forty	--	--
Subtotal of cash outflow from financing activities	18.64 Million	17.8 Million	four hundred and fifty-six thousand, two hundred	16.81 Million	16.81 Million
Net cash flow generated from financing activities	two hundred and seventy-four million	two hundred and seventy-four million, eight hundred thousand	two hundred and forty-seven million, eight hundred thousand	21.32 Million	-13.95 Million
Net increase in cash and cash equivalents	one hundred	two hundred	two hundred	10.14 Million	12.2 Million

	and ninety-eight million , six hundred thousand	and sixty-two million , eight hundred thousand	and fifty-seven million , one hundred thousand	n	n
Add: cash and cash equivalent balance at the beginning	one hundred and twelve million , three hundred thousand	one hundred and twelve million , three hundred thousand	one hundred and twelve million , three hundred thousand	one hundred and two million , two hundred thousand	one hundred and two million , two hundred thousand
Cash and cash equivalent balance	three hundred and ten million , nine hundred thousand	three hundred and seventy-five million , one hundred thousand	three hundred and sixty-nine million , four hundred thousand	one hundred and twelve million , three hundred thousand	one hundred and fourteen million , four hundred thousand
Supplementary information					
net margin	--	eight million , eighty-six thousand	--	35.64 Million	--
Asset impairment provision	--	one hundred and ninety thousand , six hundred	--	four million , one hundred and sixty-two thousand	--
Depreciation of fixed assets and investment property	--	two million , three hundred and fifty-nine thousand	--	four million , five hundred and eighty-four thousand	--
Among them: depreciation of fixed assets, discount consumption of oil and gas assets, and depreciation of productive biological assets	--	two million , three hundred and fifty-nine thousand	--	four million , five hundred and eighty-four thousand	--
Intangible capital, production and amortization	--	one million , three hundred and twenty-eight thousand	--	two million , seven hundred and twenty-nine thousand	--

		d		d	
Loss on the disposal of fixed assets, intangible assets and other long-term assets	--	--	--	-forty-seven thousand, four hundred and seventy	--
Fixed assets, scrap and loss	--	--	--	fifty-eight thousand and thirty	--
Loss of change in fair value	--	-four million, three hundred and five thousand	--	-two million, three hundred and fifty-nine thousand	--
cost of financing	--	one million, one hundred and fifteen thousand	--	thirty-nine thousand, seven hundred and seventy	--
investment losses	--	-two hundred and thirty thousand	--	-10.86 Million	--
deferred income taxes	--	-three million, six hundred and seventy thousand	--	three million, four hundred and twenty-five thousand	--
Including: deferred income tax assets decreased	--	-four hundred and eighty thousand, six hundred	--	two million, two hundred and thirty-one thousand	--
Increasing of deferred income tax liabilities	--	-three million, one hundred and ninety thousand	--	one million, one hundred and ninety-three thousand	--
Reduced inventory	--	-11.45 Million	--	-five million, two hundred and seventy thousand	--
Reduction of operating receivables	--	40.59 Millio	--	-six	--

		n		million, three hundred and twenty- nine thousand	
Increase in operational payable items	--	-15.85 Million	--	-21.04 Million	--
Net cash flow generated from operating activities	--	18.16 Million	--	five million, six hundred and eleven thousand	--
Closing balance of the cash	--	three hundred and seventy- five million, one hundred thousand	--	one hundred and twelve million, three hundred thousand	--
Less: the beginning balance of the cash	--	one hundred and twelve million, three hundred thousand	--	one hundred and two million, two hundred thousand	--
Net increase in cash and cash equivalents	--	two hundred and sixty- two million, eight hundred thousand	--	10.14 Million	--
Audit opinion (domestic territory)	--	--	--	Standard without reservations	--

one hundred percent statement

		three											
accounts													
stock	53 Lord		77%										
prepayment	one million, two hundred and fifty-one thousand		0.11%										
non-current assets	one hundred and sixty-three million, two hundred thousand		14.65%										
fixed assets	48.42 Million		4.35%										
immaterial assets	30.61 Million		2.75%										
Long-term stay, amortization of expenses	--		0.00%										
goodwill	--		0.00%										
Total liabilities	three hundred and thirty-five million, two hundred thousand		100%										
cash liabilities	three hundred and twenty-six million, eight hundred thousand		97.51%										
non-current liability	eight million, three hundred and fifty-nine thousand		2.49%										
According to the reporting period	per annum	Quarterly											
income statement	2022-09-30	2022-06-30	2022-03-31	2021-12-31	2021-09-30	2021-06-30							
metric	numeric value	proportion	numeric value	proportion	numeric value	proportion	numeric value	proportion	numeric value	proportion	numeric value	proportion	

I. Total Operating Income (RMB)	two hundred and ninety-eight million, nine hundred thousand	100.00%	one hundred and twenty million, three hundred thousand	100.00%	64.46 Million	100.00%	four hundred and eleven million, four hundred thousand	100.00%	two hundred and seventy-five million, seven hundred thousand	100.00%	94.86 Million	100.00%
li. Total operating cost (Yuan)	two hundred and sixty-four million	-88.33%	one hundred and fourteen million, nine hundred thousand	-95.45%	59.82 Million	-92.81%	three hundred and sixty-eight million, three hundred thousand	-89.53%	two hundred and fifty million, eight hundred thousand	-90.97%	one hundred and two million	-107.52%
Operating cost (RMB)	one hundred and ninety-eight million, six hundred thousand	-66.44%	79.84 Million	-66.35%	41.43 Million	-64.28%	two hundred and eighty million, nine hundred thousand	-68.28%	one hundred and ninety million, four hundred thousand	-69.08%	66.34 Million	-69.93%
Taxes and surcharges (yuan)	one million, seven hundred and ninety thousand	-0.60%	one million, two hundred and thirty-five thousand	-1.03%	five hundred and fifty-one thousand	-0.85%	two million, one hundred and forty-three thousand	-0.52%	one million, six hundred and twenty-four thousand	-0.59%	one million, sixty-eight thousand	-1.13%
Period cost (RMB)	63.61 Million	-21.29%	33.78 Million	-28.07%	17.84 Million	-27.67%	85.24 Million	-20.72%	58.71 Million	-21.30%	34.59 Million	-36.46%
Sales expense (RMB)	31.66 Million	-10.59%	13.24 Million	-11.00%	seven million, five hundred and sixty thousand	-11.73%	42.54 Million	-10.34%	27.14 Million	-9.85%	14.04 Million	-14.80%
Administrative expenses (RMB)	30.86 Million	-10.32%	18.98 Million	-15.77%	nine million, one hundred and forty-one thousand	-14.18%	39.3 million	-9.55%	28.93 Million	-10.50%	18.93 Million	-19.95%
R & D expenses (RMB)	three million, three hundred and forty-six thousand	-1.12%	two million, one hundred and seventy-five thousand	-1.81%	nine hundred and twenty-one thousand, three hundred	-1.43%	four million, two hundred and twenty-two thousand	-1.03%	three million, two hundred and ninety-six thousand	-1.20%	two million, one hundred and ninety-three thousand	-2.31%
Financial expenses (RMB)	-two million, two	0.75%	-six hundred and	0.51%	two hundred and	-0.33%	-eight hundred and	0.20%	-six hundred and	0.24%	-five hundred and	0.61%

	hundred and forty-nine thousand		eleven thousand, one hundred		fifteen thousand		twenty-two thousand		sixty-six thousand, two hundred		seventy-six thousand, nine hundred	
Other operating income (RMB)	--	--	--	--	--	--	--	--	--	--	--	--
Other earnings (RMB)	nine hundred and fifty-one thousand, eight hundred	0.32%	five hundred and ninety thousand, five hundred	0.49%	three hundred and five thousand, three hundred	0.47%	one million, seven hundred and forty-three thousand	0.42%	one million, three hundred and fifty-three thousand	0.49%	seven hundred and seven thousand, one hundred	0.75%
Investment income (RMB)	one million, eight hundred and fifty-nine thousand	0.62%	two hundred and thirty thousand	0.19%	-four hundred and eighty thousand, five hundred	-0.75%	10.86 Million	2.64%	six million, nine hundred and seventy-nine thousand	2.53%	five million, ninety-nine thousand	5.37%
Income from change in fair value (yuan)	four million, eight hundred and twenty-two thousand	1.61%	four million, three hundred and five thousand	3.58%	three million, seven hundred and four thousand	5.75%	two million, three hundred and fifty-nine thousand	0.57%	three million, eight hundred and twenty-five thousand	1.39%	one million, one hundred and sixty thousand	1.22%
Credit impairment loss (RMB)	seven hundred and ninety-eight thousand, eight hundred	-0.27%	one million, four hundred and sixty-five thousand	-1.22%	one million, forty-six thousand	-1.62%	-seven hundred and seventy thousand, four hundred	0.19%	eight hundred and ninety-seven thousand, three hundred	-0.33%	one million, three hundred and fifty thousand	-1.42%
Asset impairment loss (RMB)	-two million, three hundred and seventy-nine thousand	-0.80%	-one million, six hundred and fifty-six thousand	1.38%	-four hundred and eighty-one thousand, one hundred	0.75%	-four million, one hundred and sixty-two thousand	1.01%	-one million, five hundred and ninety-two thousand	0.58%	-one million, one hundred and eighty-one thousand	1.25%
Income from asset disposal (RMB)	--	--	--	--	--	--	forty-seven thousand, four hundred and seventy	0.01%	forty-seven thousand, four hundred and seventy	0.02%	forty-six thousand and fifty	0.05%
III. Operating profit (Yuan)	40.93 Million	13.70%	10.41 Million	8.65%	eight million, seven hundred and twenty-eight thousand	13.54%	53.16 Million	12.92%	36.41 Million	13.21%	forty-nine thousand, two hundred and twenty	0.05%
Plus: Non-operating income (RMB)	four hundred and	0.14%	two hundred and	0.22%	one hundred and	0.20%	four hundred and	0.12%	three hundred and	0.14%	two hundred and	0.28%

	four thousand, three hundred		sixty thousand, one hundred		thirty thousand, two hundred		ninety-three thousand, four hundred		eighty-three thousand, seven hundred		sixty-seven thousand, one hundred	
Less: non-operating expenses (RMB)	three million, five hundred and thirty-two thousand	-1.18%	two hundred and ninety-two thousand, five hundred	-0.24%	twelve thousand, eight hundred and ninety	-0.02%	five million, four thousand	-1.22%	four million, seven hundred and seventy-two thousand	-1.73%	one hundred and fifteen thousand, six hundred	-0.12%
IV. Total Profit (Yuan)	37.81 Million	12.65%	10.37 Million	8.62%	eight million, eight hundred and forty-six thousand	13.72%	48.65 Million	11.83%	32.02 Million	11.62%	two hundred thousand, seven hundred	0.21%
Less: Income tax expense (yuan)	eight million, eight hundred and sixty-one thousand	-2.96%	two million, two hundred and eighty-seven thousand	-1.90%	one million, four hundred and forty-seven thousand	-2.25%	13.01 Million	-3.16%	eight million, forty-one thousand	-2.92%	one hundred and ninety-four thousand	-0.20%
V. Net profit (RMB)	28.95 Million	9.69%	eight million, eighty-six thousand	6.72%	seven million, three hundred and ninety-eight thousand	11.48%	35.64 Million	8.66%	23.98 Million	8.70%	6754	0.01%

Note: The percentage report is used for structural analysis, so only important subjects are displayed. Please refer to the corresponding financial report of the company for the complete report.