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南京熊猫电子股份有限公司

NANJING PANDA ELECTRONICS COMPANY LIMITED

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

(Stock Code: 00553)

2024 PRELIMINARY ANNUAL RESULTS ANNOUNCEMENT

I. IMPORTANT NOTICE

- 1 This summary of annual report was extracted from the Annual Report of Nanjing Panda Electronics Company Limited (the “**Company**”) and its subsidiaries (collectively as the “**Group**”). To have comprehensive knowledge of the operating results, financial position and future development plan of the Company, investors are advised to carefully read the full text of the annual report on the website of the Shanghai Stock Exchange and other media designated by China Securities Regulatory Commission.
- 2 The board of directors (the “**Board**”), the supervisory committee and the directors, supervisors and senior management members of the Company confirm that the information contained in this summary of annual report is true, accurate, and complete without any misrepresentation, misleading statements, or material omissions, and severally and jointly accept legal responsibility for the above.
- 3 All directors of the Company attended the meeting of the Board held on 27 March 2025.
- 4 WUYIGE Certified Public Accountants LLP issued an unqualified auditors’ report for the Company.
- 5 Proposal of profit distribution or capitalization of capital reserves of the Company for the reporting period considered by the Board.

After audit, the net loss of the Company attributable to shareholders of the listed company for the year 2024 amounted to RMB188,854,556.25. In order to safeguard the sustainable and stable operation of the Company and the long-term interests of all shareholders, after taking into account the Company’s business plan and capital requirements for 2025, and in accordance with “Supervisory Guideline for Listed Companies No. 3 – Cash Dividends for Listed Companies”, the Articles of Association, “Shareholders’ Return Plan (2025–2027)” and relevant regulations, the Company has formulated the 2024 profit distribution plan as follows: no profit distribution, nor capitalization of capital surplus or other forms of distribution.

II. INFORMATION ABOUT THE COMPANY

1 Basic Information of the Company

Stock Profile				Stock name before change
Stock type	Listing stock exchange	Abbreviated name	Stock Code	
A share	Shanghai Stock Exchange	Nanjing Panda	600775	N/A
H share	The Stock Exchange of Hong Kong Limited	Nanjing Panda	00553	N/A
Contact person and information		Secretary to the Board	Securities Affairs Representative	
Name		Wang Dongdong	Wang Dongdong	
Office Address		7 Jingtian Road, Nanjing, the People's Republic of China	7 Jingtian Road, Nanjing, the People's Republic of China	
Telephone		(8625) 84801144	(8625) 84801144	
E-mail address		dms@panda.cn	dms@panda.cn	

2 Information on principal activities during the reporting period

(I) Industry development

The industry to which the Company belongs to is computer, communication and other electronic equipment manufacturing.

The electronic information manufacturing industry is a strategic, fundamental and leading industry of the national economy, with a large total scale, a long industrial chain and a wide range of fields involved. It is an important field to stabilize industrial economic growth and maintain national political and economic security. In 2024, the effects of a series of national policies aimed at stabilizing growth and adjusting structures gradually became evident. Regions across the country tailored their efforts to accelerate the cultivation of new quality productivity, with semiconductors, energy electronics, high-end components and other sectors emerging as key areas for tackling critical common technologies and important foundations for supporting technological innovation in various provinces and cities. Stimulated by the recovery of the global market and policy dividends, China's electronic information manufacturing industry experienced sustained and rapid growth.

In 2024, China's electronic information manufacturing industry saw rapid production growth, with exports continuing to rise, stable and improving profitability, significant investment momentum, and an overall positive development trend in the industry. In 2024, the added value of electronic information manufacturers above designated size increased by 11.8% year-on-year, which were 6 and 2.9 percentage points higher than that of industry and high-tech manufacturers in the same period, respectively. In 2024, the export delivery value of electronic information manufacturing industry above designated size increased by 2.2% year-on-year, 0.9 percentage point higher than that of January to November. In 2024, the operating income of electronic information manufacturers above designated size was RMB16.19 trillion, a year-on-year increase of 7.3%; the operating costs were RMB14.11 trillion, a year-on-year increase of 7.5%; the total profit was RMB640.8 billion, a year-on-year increase of 3.4%; and the profit margin of operating income was 4.0%, increasing 0.04 percentage point compared to the period from January to November. In 2024, the fixed-asset investment of electronic information manufacturing industry grew 12% year on year, down 0.6 percentage point compared to the period from January to November, 0.1 percentage point lower than that of industrial investment in the same period, but 5 percentage points higher than that of high-tech manufacturing investment in the same period.

In the field of smart urban rail, as of 2024, more than 50 cities in mainland China have launched urban rail transit systems, with a total operating mileage exceeding 12,000 kilometers, among which 53 operational lines/sections and 595 stations were newly added in 2024, reaching a mileage of 963.22 kilometers. Additionally, 15 construction lines and 187 stations were newly added, covering a mileage of 337.86 kilometers and requiring an investment of RMB282.059 billion. In some cities where rail transit systems have newly opened, certain medium and small cities such as Luoyang and Shaoxing have introduced metro or light rail systems for the first time, marking an expansion of urban rail transit into second and third-tier cities, and indicating significant development potential in the market with ample room for further expansion. In addition, according to statistics from China Rail Transit Network, urban rail transit in China has entered a new stage of development. The maintenance market, including daily maintenance and comprehensive renovation and upgrading of existing lines, is expected to witness unprecedented market prospects, and the market size will surpass RMB1 trillion over the next decade.

In the field of digital economy, the information infrastructure construction that drives the digitalization, networking, and intelligent development of manufacturing is becoming increasingly complete. Currently, China has established the world's largest and most advanced mobile communication and fiber-optic broadband network. By the end of 2024, a total of 4.25 million 5G base stations have been constructed and put into operation, with over 200 million users accessing gigabit-speed internet, achieving "gigabit connectivity in every county, and 5G coverage in every township". Through the continuous accumulation of 5G technology, China's share of essential patents in global 5G standards invention has reached 42%, providing robust support for the digital transformation of manufacturing and the development of the economy and society.

In terms of the scale of smart manufacturing application, China has achieved remarkable results in the intelligent transformation of manufacturing industry. Currently, 421 national-level intelligent manufacturing benchmark factories have been cultivated and established. They have formed over 10,000 provincial-level digital workshops and smart factory clusters, completed digital upgrades for nearly 10,000 small and medium-sized enterprises, and constructed more than 340 industry-leading industrial internet platforms. Through the deep integration of industrial internet and smart manufacturing, China's manufacturing industry has developed a digital transformation ecosystem covering the entire industry chain, achieving systematic improvements in R&D and production efficiency in the high-end equipment sector.

(II) Significant impact of the new policies and rules on the industry

1. In 2024, the Ministry of Industry and Information Technology and seven other departments issued the “Implementation Opinions on Promoting the Innovative Development of Future Industries”. The future manufacturing will develop smart manufacturing, biomanufacturing, nanomanufacturing, laser manufacturing, and circular manufacturing. Breakthroughs in key core technologies such as intelligent control, smart sensors, and simulation will be pursued, and flexible manufacturing and shared manufacturing models will be promoted and advocated to advance development such as industrial internet and the industrial metaverse. The future information will push for the industrial application of next-generation mobile communications, satellite internet, and quantum information technologies, accelerate innovation breakthroughs in quantum and photon computing technologies, and rapidly foster deep empowerment through brain-like intelligence, swarm intelligence, and large models, thereby accelerating the cultivation of intelligent industries. For humanoid robots, breakthroughs will focus on core technologies such as high-torque-density servo motors, high-dynamic motion planning and control, biomimetic perception and cognition, intelligent dexterous hands, and electronic skin, and emphasis will be placed on advancing the research and application of products in the fields of intelligent manufacturing, home services, and operations in special environments.
2. In 2024, the Ministry of Industry and Information Technology and four other departments issued the “General Aviation Equipment Innovation Application Implementation Plan (2024–2030)”, proposing to “accelerate the iterative upgrade of general aviation technology and equipment, establish a modern cluster for advanced manufacturing in general aviation, create a new development model for the Chinese general aviation industry, and provide strong support for nurturing new growth poles in the low-altitude economy”. In August 2024, the General Office of the People’s Government of Jiangsu Province issued the “Implementation Opinions on Accelerating the High-Quality Development of the Low-Altitude Economy”, proposing key tasks such as promoting reforms in low-altitude airspace management, accelerating the construction of low-altitude infrastructure, enhancing innovation capabilities in the low-altitude industry, establishing hubs for low-altitude manufacturing industries, actively expanding applications for low-altitude flight scenarios, and improving comprehensive service support capabilities.

3. In 2024, the Ministry of Industry and Information Technology and seven other departments jointly issued the “Implementation Plan for Promoting Industrial Equipment Upgrades”, proposing that by 2027, investment in industrial equipment is expected to grow by over 25% compared to 2023, and the penetration rate of digital R&D and design tools and the numerical control rate of key processes in industrial enterprises above designated size will exceed 90% and 75%, respectively. Full coverage of digital transformation is targeted for industrial enterprises above designated size in large industrial provinces, major cities, and key industrial parks. In key industries, production capacities below energy efficiency benchmarks are expected to phase out, while the energy efficiency of major energy-consuming equipment should reach energy-saving levels. The intrinsic safety level will be significantly enhanced, the promotion and application of innovative products will be accelerated, and the proportion of advanced production capacity will continue to rise.
4. In 2025, the Ministry of Industry and Information Technology and eight other departments jointly issued the “Action Plan for the High-quality Development of the New Energy Storage Manufacturing Industry”, proposing to promote the widespread application of new-generation information technologies such as blockchain, big data, artificial intelligence, and 5G in the new energy storage manufacturing industry; accelerate the construction of smart factories, encourage the digital transformation of key processes in the production and manufacturing of new energy storage products, and system integration, applying online inspection technologies such as machine vision, ultrasound, and infrared thermal imaging to optimize quality control systems; enhance the automation level of various aspects of new energy storage product material production and packaging; and provide support for manufacturing enterprises to extend their service chains and develop new service-oriented manufacturing models.

5. In 2024, the Ministry of Industry and Information Technology and 12 other departments issued the “5G Scale Application “Sailing” Action Upgrade Plan”, proposing that by the end of 2027, a development landscape characterized by “universal capability, widespread application, and empowering inclusiveness” will be established, achieving comprehensive 5G scale application. It aims to enhance production and operation through 5G empowerment, creating an upgraded version of “5G + Industrial Internet” and promoting its high-quality development and scale application; focuses on deepening the construction of 5G factories in key industry sectors for large, medium, and small enterprises, promoting integrated and intensive solutions, and setting benchmarks for 5G factory construction; accelerates the R&D and promotion of key 5G+Industrial Internet products and speeds up the construction of new industrial networks; and advances the construction of dedicated 5G networks and explores innovative applications of 5G millimeter waves in manufacturing, mining, railways, and defense industries and other sectors.
6. In 2024, the Ministry of Industry and Information Technology and four other departments issued the “Special Action Plan for Digitalized Empowerment of Small and Medium-sized Enterprises (2025–2027)”, proposing to drive the digital transformation of small and medium-sized enterprises by combining it organically with large-scale equipment upgrades and implementing technology renovation and upgrade projects, use the digital transformation of small and medium-sized enterprises in pilot cities as the starting point to advance digital transformation by combining “point, line and plane” approach, accelerate the innovative applications and deep empowerment of artificial intelligence, fully activate the value of data elements, significantly improve the quality and efficiency of supply as well as service assurance levels, and implement special actions for the digital empowerment of small and medium-sized enterprises. By 2027, the “Hundred Cities” pilot program for the digital transformation of small and medium-sized enterprises will have achieved solid results, specialized and sophisticated small and medium-sized enterprises will undergo complete digital transformation, establishing a group of transformation benchmarks with digital levels reaching levels three and four; in the pilot provinces, the digital levels of small and medium-sized enterprises with specialized expertise and refined operation will reach level two and above, and the numerical control rate of key processes in small and medium-sized enterprises above designated size in the national industrial sector will reach 75%; and more than 40% of small and medium-sized enterprises will upload to the cloud.

7. The 2025 government work report proposes to stimulate the innovation vitality of the digital economy. It emphasizes the continuous advancement of the “AI+” initiative, aiming to better integrate digital technologies with manufacturing advantages and market strengths, support the extensive application of large models, and vigorously develop new-generation smart terminals such as intelligent connected new energy vehicles, AI smartphones and computers, smart robots, as well as intelligent manufacturing equipment. It advocates expanding the 5G large-scale application, accelerating the innovative development of industrial internet, optimizing the layout of national computing power resources, and creating digital industry clusters with international competitiveness. It also stresses the expedited improvement of data basic systems, the deepening of data resource development and utilization, and the promotion and regulation of cross-border data flows.

(III) Information on activities during the reporting period

1. Principal activities

The Company takes smart transportation and safe city, industrial Internet and intelligent manufacturing, and green and service-oriented electronic manufacturing as its three main businesses.

In the field of smart transportation and safe city, the Company takes the construction of a modern digital city as its leading direction, comprehensively uses new-generation information technologies and data analysis methods, focuses on the development of smart transportation and safe city business clusters, and further expands smart urban rail, safe city communications, digital park, high-tech electronics, energy storage power supply and other businesses.

In the field of industrial Internet and intelligent manufacturing, the Company applies new generation information technologies, and deeply integrates with advanced manufacturing technologies. Relying on product categories such as intelligent industrial control equipment, intelligent robots, intelligent logistics equipment, and other new types of intelligent manufacturing dedicated and general equipment, the Company integrates and applies independently developed industrial software platforms, focuses on the automation, informatization, digitization, and intelligent transformation and upgrading of manufacturing enterprises, and provides intelligent factory system solutions with independent intellectual property rights.

In the field of green and service-oriented electronic manufacturing, through intelligent, flexible and lean management, it provides domestic and foreign brand manufacturers with complete manufacturing services, such as R&D, process design, procurement management, manufacturing and warehousing of 3C, new display module components, core components of white appliances, automotive electronics, communication equipment and other electronic products.

2. *Operating model*

(1) Management mode

Guided by market and customer demands, the Company carries out in-depth reform and innovation, accelerates the promotion of market-oriented transformation, and makes every effort to forge core competitiveness. Collaborating on scientific and technological innovation, market expansion, team construction, deepening reform, quality upgrading and efficiency improvement, risk prevention and control and other aspects, by focusing on the main line of digital, intelligent and green development of manufacturing industry, and relying on the advantages of China's electronic computing system, the Company coordinates the integration of internal and external intelligent manufacturing resources, comprehensively promotes the construction of digital intelligent equipment industry system, improves the layout of the ecologic chain of the industry. Through providing industry-leading system solutions and services for major system engineering, the Company is committed to becoming an important support for national intelligent manufacturing field and assisting high-quality development of the manufacturing industry.

(2) R&D model

The Company always adheres to self-dependent innovation and insists on “response + guiding”-based two-way driven R&D model. By carefully integrating the national strategic direction, fully studying the market and customer needs and practically implementing “three-tight” R&D strategy, the Company closely follows the national strategic direction, keeps up with the technological development trend, and keeps abreast of the market demand and orientation. Through this strategy, the Company ensures it maintains a leading position in technology research and development as well as product innovation, and continues to enhance its core competitiveness. Meanwhile, the Company places significant emphasis on industry-academia-research co-operation, integrates internal and external resources, promotes the transformation of technological achievements, provides customers with more forward-looking and practical solutions, and contributes to the progress and sustainable development of the industry.

(3) Production & service delivery model

Guided by market and customer demands, the Company organizes R&D and production, and devotes itself to the delivery of product and system overall solutions and system engineering projects. Meanwhile, the Company actively and quickly responds to the needs of customers and continuously promote technical update iteration. Through providing integrated services to customer, the Company deepens and broadens the cooperative relationship with customers, creates more value for them and ultimately achieves growth and development for both the Company and customers.

(4) Marketing model

The Company implements a full-staff marketing model, through the development of a series of training and incentive mechanisms, encourages all employees to break through the post limitations, actively participate in the Company’s marketing activities, vigorously expand new areas, attract new customers, and expand new categories, at the same time, the Company maximizes the potential of employees, integrates internal resources, and effectively promotes the enhancement of both the Company’s brand influence and performance.

3. *Overview of the development of principal activities*

In the fields of intelligent transportation, safe city and digital park, the Company pools its resources and focuses its efforts to become an integrated software and hardware solution provider in the areas of urban rail transportation, dedicated emergency communication and digital park. In the intelligent rail transportation business segment, the Company strives to become a leader in the urban intelligent transportation industry and further enhance its core competitiveness and industrial scale. Through years of hard work, by continuously polishing and refinishing its own level in innovation technology system and design ideas, the Company has gained the trust of customers and reliability of the industry, and has gradually grown into the domestic premier provider to simultaneously provide urban rail transportation integrated command system, automatic ticketing system, ticketing clearing system and communication system and other related solutions, software services and core equipment, and has formed a brand effect. The ticketing system and equipment are in the first echelon among the domestic counterparts, and the general contracting business of the rail transportation communication system is also in the forefront of the industry. In the digital park segment, the Company integrates the use of Internet of Things, big data, intelligent sensing and other technologies to provide integrated digital park solutions, and its products and services are distributed in more than 10 provinces and municipalities, such as Jiangsu, Shanghai, Anhui, Shandong, Henan, Xinjiang, Liaoning, and other regions.

In the field of industrial internet and intelligent manufacturing, the Company, based on its strengths in the industry, vigorously develops intelligent manufacturing equipment and intelligent manufacturing industrial software business, constantly upgrading its intelligent manufacturing service capability and expanding its business clusters, so as to provide customers with powerful and complete intelligent manufacturing solutions. As one of the first local service providers of “Smart Reform and Digital Transformation”, the Company possesses system solutions with independent intellectual property rights in various application scenarios such as intelligent production, intelligent management and intelligent manufacturing services. The Company continues to plough into the LCD glass intelligent chemical plant market, while achieving breakthroughs in new energy, intelligent storage, instrumentation assembly lines and other sectors, striving to cultivate independent R&D and safe and control capabilities for key software technologies, enhance basic support capabilities and improve the standard of integrated applications, intelligent manufacturing digitization and information technology.

In the field of green manufacturing services, the Company is accelerating its compliance with the national “carbon” development policy by investing in a modern industrial chain infrastructure with first-class supply chain management capabilities, which enables the Company to provide intelligent, flexible and lean production and manufacturing of green electronic manufacturing services. The Company has a core competitive advantage in electronic product manufacturing services in terms of scale of development, production capacity and technological response and stands in a leading position in Eastern China. The Company has several electronic product manufacturing factories in Nanjing, Chengdu and Shenzhen, with SMT mounting capacity reaching 1.0 billion devices per month, annual production capacity exceeding 10.00 million units, and annual production and assembly exceeding 10.0 billion parts. Moreover, the Company is capable of providing efficient, high-quality and green electronic production and manufacturing services, realizing the in-depth integration of MES and SAP-ERP systems, and adopting fully automatic tracking, full-process closed-loop production management and process control in the production line, thus meeting the demands of aviation, aerospace, communications and other high-tech electronic businesses. Furthermore, the Company continues to increase investment to enhance the quality control capability of its product testing center, which has successfully passed the CNAS accreditation, forming a complete set of electronic manufacturing service industry chain and possessing a core competitive advantage in electronic product manufacturing service. At present, the Company has developed its scale and specialization in LCD panels, automotive electronics, white household appliances and other areas.

3 Major Accounting Data and Financial Indicators of the Company

3.1 Major accounting data and financial indicators (prepared in accordance with the Accounting Standards for Business Enterprises of China)

Unit: Yuan Currency: RMB

Key accounting data	2024	2023	Year-on-year increase/ decrease (%)	2022	2021	2010
			After adjustment			
Total assets	5,320,807,895.66	5,540,955,892.33	-3.97	5,865,289,811.26	6,057,982,752.18	6,001,947,699.44
Net assets attributable to shareholders of the Company	3,114,294,647.60	3,303,235,992.24	-5.72	3,553,958,826.75	3,527,207,782.36	3,509,430,717.97
Operating revenue	2,645,884,960.86	2,912,311,480.01	-9.15	4,154,295,003.26	4,531,842,430.51	3,952,265,022.15
Net profit attributable to shareholders of the Company	-188,854,556.25	-237,862,230.10	N/A	39,873,197.73	41,928,543.18	77,318,175.74
Net profit attributable to shareholders of the Company after extraordinary items	-202,269,390.80	-257,009,511.61	N/A	10,520,082.28	11,888,072.43	18,254,992.01
Net cash flows from operating activities	-265,274,734.11	-65,851,054.62	N/A	150,320,717.60	208,170,561.48	534,653,617.28
Weighted average return on net assets (%)	-5.89	-6.92	Increased by 1.03 percentage points	1.12	1.12	2.22
Basic earnings per share (RMB/share)	-0.2067	-0.2603	N/A	0.0436	0.0459	0.0846
Diluted earnings per share (RMB/share)	-0.2067	-0.2603	N/A	0.0436	0.0459	0.0846

Explanations on major accounting data and financial indicators of the Company as at the end of the reporting period:

The Company's intelligent manufacturing business, power supply and communication businesses are experiencing fierce competition in the existing market, with decreasing operating revenue and gross profit in 2024. The increase in net profit attributable to shareholders of the listed company and net profit attributable to shareholders of the listed company after extraordinary items was mainly due to the provision of impairment of long-term equity investment of RMB230 million in the previous period. In response to changes in market and customer demand, the Company maintained a high level of investment in research and development, resulting in an increase in research and development expenses during the reporting period. Additionally, in accordance with the Accounting Standards for Business Enterprises and according to the current operating conditions and asset status of the Company, the Company conducted sufficient impairment tests on relevant assets and provided for credit impairment losses and asset impairment losses, which has had a certain impact on the net profit attributable to shareholders of the listed company. The decrease in net cash flows from operating activities was mainly due to the year-on-year decrease in cash received from sales of goods and rendering of services during the period.

3.2 Major Accounting Indicators by Quarters in the Reporting Period

Unit: Yuan Currency: RMB

	Q1 (January to March)	Q2 (April to June)	Q3 (July to September)	Q4 (October to December)
Operating revenue	484,002,973.06	766,343,539.03	577,952,040.59	817,586,408.18
Net profit attributable to shareholders of the Company	-45,922,679.29	-22,275,431.22	-30,729,551.66	-89,926,894.08
Net profit attributable to shareholders of the Company after extraordinary items	-50,083,775.74	-26,465,511.03	-35,310,494.85	-90,409,609.18
Net cash flows from operating activities	-22,987,313.49	-110,275,390.84	-124,750,689.95	-7,261,339.83

4 Particulars of Shareholders

4.1 Total number of ordinary shareholders, total number of preferred shareholders with voting rights resumed, total number of shareholders with special voting shares and shareholdings of the top 10 shareholders as at the end of the reporting period and at the end of the last month prior to the disclosure of the annual report

Unit: share

Total number of shareholders of ordinary shares as at the end of the reporting period	74,662 shareholders including 74,635 A shareholders and 27 H shareholders
Total number of shareholders of ordinary shares at the end of the last month prior to the disclosure of the annual report	68,001 shareholders including 67,975 A shareholders and 26 H shareholders

Name of Shareholder	Increase/ decrease during the reporting period	Shareholdings of top 10 shareholders			Pledged or frozen Shares		
		Number of shares held at the end of the reporting period	Percentage of shareholding (%)	Number of shares held subject to trading moratorium	Status of shares	Number of Shares	Type of shareholders
HKSCC (Nominees) Limited	-185,963	243,109,712	26.60	0	Unknown		Overseas legal person
Panda Electronics Group Limited (“PEGL”)	0	210,661,444	23.05	0	Pledged	105,091,430	State-owned legal person
Nanjing Electronics Information Industrial Corporation (“NEIIC”)	0	35,888,611	3.93	0	Unknown		State-owned legal person
Lu Ping (吕平)	663,000	9,809,010	1.07	0	Unknown		Domestic natural person
China Merchants Bank Co., Ltd. – Southern China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司－南方中證1000交易型開放式指數證券投資基金)	3,340,200	3,896,200	0.43	0	Unknown		Other
Industrial and Commercial Bank of China Limited – Fullgoal Military Industry Theme Mixed Securities Investment Fund (中國工商銀行股份有限公司－富國軍工主題混合型證券投資基金)	3,181,500	3,181,500	0.35	0	Unknown		Other

Name of Shareholder	Increase/ decrease during the reporting period	Shareholdings of top 10 shareholders			Pledged or frozen Shares		
		Number of shares held at the end of the reporting period	Percentage of shareholding (%)	Number of shares held subject to trading moratorium	Status of shares	Number of Shares	Type of shareholders
China Merchants Bank Co., Ltd. – Huaxia China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份 有限公司–華夏中證 1000交易型開放式指 數證券投資基金)	1,556,500	2,081,855	0.23	0	Unknown		Other
Chen Jianhua (陳建華)	1,940,400	1,940,400	0.21	0	Unknown		Domestic natural person
Du Yongkang (杜永康)	1,684,000	1,684,000	0.18	0	Unknown		Domestic natural person
Industrial and Commercial Bank of China Limited – GF China Securities 1000 Trading Open-ended Index Securities Investment Fund (中國工商銀行股 份有限公司–廣發中 證1000交易型開放式 指數證券投資基金)	1,038,600	1,623,900	0.18	0	Unknown		Other

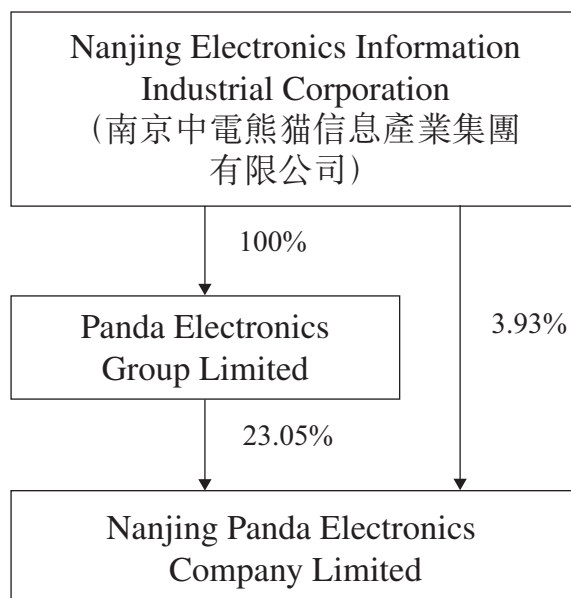
Description on connected relationship or party acting in concert among the aforesaid shareholders

NEIIC holds 100% equity interests of PEGL, the controlling shareholder of the Company. NEIIC holds, directly and through asset management plans, 22,120,611 A shares and 13,768,000 H shares of the Company, representing 3.93% of the total number of shares. NEIIC indirectly holds 210,661,444 A shares of the Company through PEGL, representing 23.05% of the total number of shares. In total, NEIIC holds 26.98% equity interests of the Company. CEIEC (H.K.) Limited (華電有限公司), a wholly-owned subsidiary of CEC holds 27,414,000 H shares of the Company, representing 3% of the total number of shares, which are held under the name of HKSCC (Nominees) Limited. In conclusion, CEC, the de facto controller of the Company, holds 29.98% shares of the Company through its subsidiaries. Save as disclosed above, the Company is not aware of any connected relationship or party acting in concert among the aforesaid shareholders.

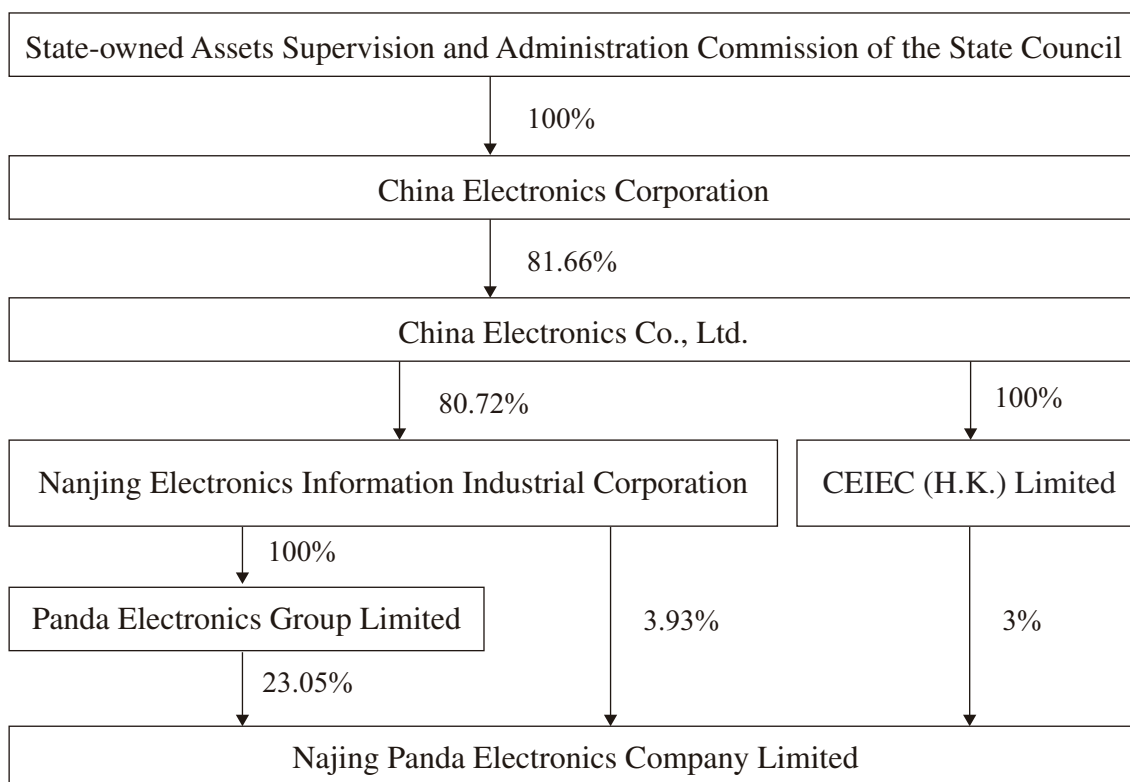
Notes:

1. As at the end of the reporting period, HKSCC (Nominees) Limited held 243,109,712 shares (in particular: 241,683,340 H shares, 1,426,372 A shares) of the Company on behalf of several clients, representing 26.60% of the issued share capital of the Company, including 13,768,000 H shares held by NEIIC in the Company, and 27,414,000 H shares held by CEIEC (H. K.) Limited (華電有限公司), a wholly-owned subsidiary of CEC. Save as disclosed above, the Company is not aware of any other individual client holding more than 5% of the issued share capital of the Company.
2. The Company received the notice from PEGL, the controlling shareholder on 19 April 2024, which mentioned that part of the shares of the Company held by PEGL has been pledged. PEGL pledged 105,091,430 shares of the Company, representing 49.89% of the total shares of the Company held by it and 11.50% of the total share capital of the Company. For details of this matter, please refer to the relevant announcements published by the Company on the China Securities Journal, Shanghai Securities News and the website of Shanghai Stock Exchange on 20 April 2024.

4.2 Diagram of the shareholding and controlling relationship between the Company and the controlling shareholder



4.3 Diagram of shareholding and controlling relationship between the Company and its ultimate controllers



4.4 Total number of preferred shareholders of the Company and shareholdings of the top 10 shareholders as at the end of the reporting period

☐ Applicable ☒ N/A

5 Information on bonds of the Company

☐ Applicable ☒ N/A

III. SIGNIFICANT EVENTS

1. The Company shall disclose the significant changes in the operation of the Company during the reporting period under the principle of materiality and the events in the reporting period that had material impact on the operation of the Company and are expected to have a material impact in the future.

During the reporting period, fierce competition in existing markets, a long transition period for business structure transformation and upgrading, and new customer acquisition not meeting expectation had a significant impact on its operating results. At the same time, in order to respond to changes in market and customer demand and accelerate industrial transformation and upgrading, the Company maintained a relatively high level of investment in research and development, which led to an increase in research and development expenses and had a certain impact on net profit. In addition, in accordance with the “Accounting Standards for Business Enterprises”, the Company provided for credit impairment losses and asset impairment losses, which also had a certain impact on net profit.

1.1 Analysis of principal operations

1.1.1 Analysis of changes in related items in the income statement and cash flow statement

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the same period last year	Change (%)
Operating income	2,645,884,960.86	2,912,311,480.01	-9.15
Operating costs	2,220,744,587.45	2,398,000,168.52	-7.39
Cost of sales	45,292,628.32	40,939,857.79	10.63
Administrative expenses	283,038,723.68	263,667,430.75	7.35
Financial expenses	-12,076,236.50	-11,884,592.85	N/A
R&D expenses	262,177,873.98	211,187,548.93	24.14
Net cash flows from operating activities	-265,274,734.11	-65,851,054.62	N/A
Net cash flows from investing activities	102,912,989.98	-119,323,705.49	N/A
Net cash flows from financing activities	30,274,303.43	26,690,509.15	13.43
Investment income	96,152,132.69	61,249,200.92	56.99
Gain on changes in fair value	4,914,915.97	-1,624,939.93	-402.47
Credit impairment losses	-27,310,416.22	-7,702,894.86	N/A
Assets impairment losses	-46,693,274.64	-236,789,856.24	N/A
Gain from the disposal of assets	8,373.69	468,739.44	-98.21
Non-operating income	987,777.94	6,525,564.98	-84.86
Non-operating expenses	1,389,551.26	2,018,586.92	-31.16

Notes:

- (1) Reasons for changes in operating income: mainly due to the fierce competition in the existing market of intelligent manufacturing business, power supply and communication business, resulting in the decrease in operating income;
- (2) Reasons for changes in operating costs: the decrease in operating costs was mainly due to the year-on-year decrease in operating income as a result of the fierce competition in the existing market of intelligent manufacturing business, power supply and communication business;
- (3) Reasons for changes in cost of sales: mainly due to the increase in staff salaries and advertising and exhibition expenses;
- (4) Reasons for the change in administrative expenses: mainly due to the increase in termination expenses and depreciation and amortization;
- (5) Reasons for the change in R&D expenses: mainly due to the increase in staff salaries and material expenses;
- (6) Reasons for changes in net cash flows from operating activities: mainly due to the year-on-year decrease in cash received from the sale of goods and rendering of services for the period;
- (7) Reasons for changes in net cash flows from investing activities: mainly due to the increase in the recovery of the principal of large CDs for the period;
- (8) Reasons for changes in net cash flows from financing activities: mainly due to the increase in the amount of bank acceptance bills received by the Company which had been discounted but not yet derecognized during the period as compared with that of the previous period;
- (9) Reasons for changes in investment income: mainly due to the increase in investment income of associate;
- (10) Reasons for changes in gain on changes in fair value: mainly due to the increase in fair value changes recognized for financial products for the period;
- (11) Reasons for changes in credit impairment losses: mainly due to the increase in the provision for bad debts on accounts receivable for the period as compared with the previous period;
- (12) Reasons for changes in assets impairment losses: mainly due to the provision for impairment of long-term equity investments for the previous period;
- (13) Reasons for changes in gain from the disposal of assets: mainly due to gain or loss on early derecognition of right-of-use assets in the previous period;
- (14) Reasons for changes in non-operating income: mainly due to the decrease in amounts not required to be paid;
- (15) Reasons for changes in non-operating expenses: mainly due to the decrease in litigation and compensation expense.

1.1.2 Revenue and cost

(1) Principal operations by business sector, product, geographical regions and sales model

Unit: Yuan Currency: RMB

Principal operations by business sector						
By business sector	Operating income	Operating cost	Gross profit margin	Increase/decrease in operation income from the same period last year	Increase/decrease in operation cost from the same period last year	Increase/decrease in gross profit margin from the same period last year
				(%)	(%)	(%)
Industrial Internet and intelligent manufacturing	156,530,506.63	182,879,860.12	-16.83	-17.93	-9.03	Decreased by 11.43 percentage points
Intelligent transportation and safe city	1,223,501,051.93	913,920,514.44	25.3	-7.59	-4.77	Decreased by 2.22 percentage points
Green service electronics manufacturing	1,232,518,135.03	1,117,059,819.85	9.37	-9.92	-8.62	Decreased by 1.28 percentage points

By product	Principal operations by products					
	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease		Increase/decrease
				in operation	Increase/decrease in operation cost from the same period last year (%)	in gross profit
				income from		margin from the
				the same period last year (%)		same period last year (%)
Intelligent factories and systems	111,501,438.01	121,662,969.45	-9.11	-17.20	-2.95	Decreased by 16.01 percentage points
Core components of smart manufacturing	45,029,068.62	61,216,890.67	-35.95	-19.69	-19.09	Decreased by 1.01 percentage points
Intelligent transportation	575,160,951.13	431,393,931.49	25	7.90	10.12	Decreased by 1.51 percentage points
Digital park	404,488,505.77	276,170,546.55	31.72	-6.75	-9.78	Increased by 2.29 percentage points
Safe city	243,851,595.03	206,356,036.40	15.38	-31.74	-21.20	Decreased by 11.31 percentage points
Electronic manufacturing services	1,232,518,135.03	1,117,059,819.85	9.37	-9.92	-8.62	Decreased by 1.28 percentage points

By geographical regions	Principal operations by geographical regions					
	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease		Increase/decrease
				in operation		Increase/decrease
				income from		in operation cost
				the same period last year	from the same period last year	margin from the same period last year
				(%)	(%)	(%)
Nanjing	1,810,043,563.59	1,563,644,662.97	13.61	-7.27	-3.84	Decreased by 3.08 percentage points
Chengdu	80,700,326.27	95,194,428.83	-17.96	-65.75	-57.13	Decreased by 23.72 percentage points
Shenzhen	721,805,803.73	555,021,102.61	23.11	3.79	3.75	Increased by 0.03 percentage point

By sales model	Principal operations by sales model					
	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease in operation income from the same period last year (%)	Increase/decrease in operation cost from the same period last year (%)	Increase/decrease in gross profit margin from the same period last year (%)
Direct sales	2,612,549,693.59	2,213,860,194.41	15.26	-9.38	-7.11	Decreased by 2.08 percentage points

Description of principal operations by business sector, product, geographical regions and sales model:

Operating income from industrial internet and intelligent manufacturing decreased by 17.93% as compared to the corresponding period of the previous year, mainly due to product transformation requiring longer time for upgrade transition and new customer acquisition not meeting expectations; operating income from intelligent transportation and safe city decreased by 7.59% as compared to the corresponding period of the previous year, mainly due to the intensification of competition in the existing market for certain business of the safe city segment; and operating income from green and service-oriented electronic manufacturing decreased by 9.92% as compared to the corresponding period of the previous year, mainly due to the decrease in the volume of business of the LCD segment.

(2) Sales to major customers and purchases from major suppliers

During the reporting period, sales to the top five customers amounted to RMB691,937,600, representing 26.15% of the total sales in 2024, of which sales to connected parties amounted to RMB155,948,900, representing 5.89% of the total sales in 2024.

During the reporting period, the aggregate amount of purchase from the top five suppliers of the Company amounted to RMB268,906,000, accounting for 12.48% of the total amount of purchase made by the Company in 2024. There were no connected parties in the top five suppliers.

(3) Expenses

During the reporting period, cost of sales increased by 10.63%, mainly due to the increase in staff salaries and advertising and exhibition expenses; administrative expenses increased by 7.35%, mainly due to the increase in termination expenses and depreciation and amortization.

(4) R&D Investment

Unit: Yuan Currency: RMB

R&D expenses for the period	262,177,873.98
Capitalized R&D expenses for the period	
Total R&D expenses	262,177,873.98
The percentage of total R&D expenses over operating income (%)	9.91
The percentage of capitalized R&D investment (%)	—
The number of R&D personnel of the Company	710
The percentage of R&D personnel over total number of staff of the Company (%)	27.16%

Educational structure of R&D personnel

Category of educational structure	Number of educational structure
Doctoral candidate	6
Master degree candidate	195
Undergraduate	432
Junior college	77
High School and below	0

Age structure of R&D personnel

Category of age structure	Number of age structure
Under 30 years old (excluding 30 years old)	217
30–40 years old (including 30 years old, excluding 40 years old)	314
40–50 years old (including 40 years old, excluding 50 years old)	115
50–60 years old (including 50 years old, excluding 60 years old)	64
60 years old and above	0

Description:

The Company adhered to self-reliance and self-improvement in scientific and technological innovation, continued to play a leading role in the scientific and technological innovation, and strived to build the strategic source of original technologies, push the boundaries of key and core technologies, promote the upgrading of technologies and products, and continuously strengthen innovation-driven capacity. By relying on the development channels of key technology research enhancement, core product R&D, solution promotion and industry ecosystem building, the Company created a technology innovation system with the digital intelligent industry research institute as the core, and constructed a synergistic model combining the digital intelligent industry research institute and the R&D centers of various industrial companies to build the capabilities of digital decision-making leadership in the scientific research system, digital R&D resource support, operational control for transformation of scientific research achievements, management research project breakthroughs, and business synergy empowerment in the digital intelligence industry.

In the year 2024, the Company's R&D expenditure amounted to about RMB260 million, with the intensity of R&D investment reaching 9.9%. In 2024, the Company carried out a total of 66 R&D projects, in which, "Intelligent Operation and Maintenance System for Key Industry Production Equipment based on the Industrial Internet Platform" of the industrial Internet innovation and development project by the Ministry of Industry and Information Technology and "Key Technologies for Intelligent Operational Decision-making of Equipment Manufacturing Enterprises Supporting Dynamic Reconfiguration" of the National Key R&D Program successfully passed the mid-term inspection; "Key Technology for Integration of Multi-modal Human-computer Interaction System based on Brain-machine Interface Technology" and "Key Technologies R&D of Digital Twining Emergency Early Warning System for Precise Monitoring of Optical Cable" of the Provincial Key R&D Projects were implemented in an orderly manner on schedule.

(5) Cash flow

During the reporting period, the decrease in net cash flows from operating activities was mainly due to the year-on-year decrease in cash received from the sale of goods and rendering of services during the period; the increase in net cash flows from investing activities was mainly due to the increase in the recovery of the principal of large CDs during the period; and the increase in net cash flows from financing activities was mainly due to the increase in the amount of bank acceptance bills received by the Company which had been discounted but not yet derecognized during the period as compared with that of the previous period.

1.2 Analysis of assets and liabilities

Unit: Yuan Currency: RMB

Item	Amount at the end of the period	Amount at the end of the period as a percentage of the total assets (%)	Amount at the end of the previous period	Amount at the end of the previous period as a percentage of the total assets (%)	Change in the amount at the end of the period as compared to the amount at the end of the previous period (%)	Explanation
Contract assets	144,611,505.52	2.72	232,413,650.79	4.19	-37.78	Mainly due to changes in estimation progress, transferring contract assets to accounts receivable at the beginning of the period
Non-current assets due within one year	730,582.81	0.01	26,864,239.67	0.48	-97.28	Mainly due to the transfer to accounts receivable upon expiration of guarantee period
Construction in progress	1,506,311.96	0.03	991,937.24	0.02	51.86	Mainly due to the increase in uncompleted projects in progress during the period
Right-of-use assets	8,464,815.42	0.16	12,873,600.15	0.23	-34.25	Mainly due to the accrual of depreciation and amortization
Other non-current assets	5,329,316.34	0.10	1,469,073.94	0.03	262.77	Mainly due to the increase in prepayments for the purchase of long-term assets

Item	Amount at the end of the period	Amount at the end of the period as a percentage of the total assets (%)	Amount at the end of the previous period	Amount at the end of the previous period as a percentage of the total assets (%)	Change in the amount at the end of the period as compared to the amount at the end of the previous period (%)	Explanation
Short-term loans	42,326,327.88	0.80	70,113,510.72	1.27	N/A	Mainly due to the decrease in amounts received from handling factoring business, transferring a portion of receivables, as well as discounts on note receivable not terminated for recognition for the period as compared with the previous period
Note payables	110,289,431.12	2.07	79,035,160.29	1.43	39.54	Mainly due to the increase in bank acceptance bills payable at the end of the period
Receipts in advance	468,971.75	0.01	201,635.72	0.00	132.58	Mainly due to the advance rental payments
Non-current liabilities due within one year	5,848,681.83	0.11	4,088,888.95	0.07	43.04	Mainly due to the increase in product quality guarantees due within one year
Other non-current liabilities	84,356,494.83	1.59	36,882,036.51	0.67	128.72	Mainly due to the increase in endorsed but unexpired bills and supply chain finance invoices.
Lease liabilities	4,628,222.00	0.09	9,101,840.09	0.16	-49.15	Mainly due to the payment of lease expenses for the year
Estimated liabilities	1,800,000.00	0.03	512,434.50	0.01	251.26	Mainly due to the increase in product quality guarantees

1.3 Analysis of major invested companies

1.3.1 Analysis of major subsidiaries

In 2024, the Company focused on the development of its three main businesses, continued to optimise its industrial structure, and rationally allocated industrial resources.

Changes in net profit of major subsidiaries are as follows:

<i>Unit: 0'000 Currency: RMB</i>			
Subsidiary	Net profit		Change (%)
	2024	2023	
Nanjing Panda Electronics Equipment Co., Ltd. (“Electronics Equipment Company”)	-12,305.20	-5,643.30	N/A
Nanjing Panda Information Industry Co., Ltd. (“Information Industry Company”)	3,685.97	5,753.61	-35.94%
Nanjing Panda Electronic Manufacture Co., Ltd. (“Electronic Manufacture Company”)	2,083.18	1,648.42	26.37%
Nanjing Panda Communications Technology Co., Ltd. (“Communications Technology Company”)	-6,892.62	854.34	N/A
Shenzhen Jingwah Electronics Co., Ltd. (“Shenzhen Jingwah”)	7,551.95	6,994.24	7.97%
Nanjing Panda Xinxing Industrial Co., Ltd.	1.30	17.5	-92.57%
Chengdu Panda Electronic Technology Co., Ltd.	-2,002.99	627.05	N/A

Description of changes:

Electronics Equipment Company suffered a year-on-year increase in loss due to some projects not yet generating revenue; Information Industry Company recorded a year-on-year decrease of 35.94% in net profit, mainly due to an increase in credit impairment losses and asset impairment losses; Electronics Manufacturing Company recorded a year-on-year increase of 26.37% in net profit, mainly due to an increase in gross profit from its processing business; Communications Technology Company recorded a significant year-on-year decrease in net profit, mainly due to a slowdown in demand from certain customers, resulting in a decrease in revenue; Nanjing Panda Xinxing Industrial Co., Ltd. recorded a year-on-year decrease of 92.57% in net profit, mainly due to the decrease in revenue from property projects; Chengdu Panda Electronics Technology Co., Ltd. recorded a significant year-on-year decrease in net profit, mainly due to the decrease in revenue as a result of the decrease in the volume of business of the LCD segment.

1.3.2 Analysis of major invested companies

(1) Nanjing Ericsson Panda Communication Co., Ltd. (“ENC”)

ENC was set up on 15 September 1992 with a business term of 30 years, a total investment of US\$40.88 million and a registered capital of US\$20.9 million. ENC is held as to 27% by the Company, 51% by Ericsson (China) Company Limited, 20% by CETC Asset Management Co., Ltd. (中電科資產經營有限公司), and 2% by Yung Shing Enterprise, Hong Kong. ENC mainly engages in production of mobile telecommunication system equipment and network communications system equipment, etc., and is now mainly in charge of the industrialization and mass production of the products that Ericsson Company Limited developed and provides delivery and shipment to customers worldwide. In August 2022, shareholders decided to extend the business term of ENC for three years, ending on 14 September 2025. On 1 September 2022, ENC applied for a new business license.

In the relevant announcements published on the website of the Shanghai Stock Exchange on 31 January, 1 March, 29 March, 27 April, 4 June, 28 August and 30 October 2024 (Lin 2024-003, 2024-004 and 2024-024) and in the 2023 annual report, 2024 first quarterly report, 2024 interim report, 2024 third quarterly report, the Company provided a detailed explanation on the special tax adjustment and related circumstances (“**Special Tax Adjustment**”) of Nanjing Ericsson Panda Communication Co., Ltd., a invested company of the Company, and disclosed the progress of such adjustment in each of the periodic reports.

The Chinese shareholders of ENC have been engaging in ongoing communications and negotiations with their fellow ENC shareholder Ericsson, to agree on a path forward for ENC and in light of the Special Tax Adjustment. In this context, the Chinese shareholders of ENC, including the Company, recently received a written communication from Ericsson (referred to as the “**Ericsson Communication**”) confirming, among other things: Ericsson proposes to purchase the 49% equity interests in ENC held by the Company and other Chinese shareholders of ENC for a specific cash purchase consideration, subject to necessary approvals and the outcome of discussions between the parties on the detailed terms of a transaction.

Based on the Ericsson Communication, the Company anticipates that it will recover an amount no less than approximately RMB250 million. The actual amount will be determined based on the special audit assessment of state-owned property rights and the listing transaction. In the Company’s financial statements for the year 2023, a full impairment provision of RMB230 million was made for the long-term equity investment in ENC. If the ENC equity disposal is completed, it is expected to have a positive impact on the Company’s financial results for the year when the transaction is closed.

The achievement of the aforementioned objective is subject to the parties being able to agree on detailed terms and completing the transaction by September 2025. The Company and the other Chinese shareholders of ENC intend to dispose of the equity interest in ENC at a price that complies with state-owned asset management regulations, through the process of state-owned asset listing or any other legal and

feasible method. The subsequent implementation of the equity disposal requires further discussions between the Chinese shareholders of ENC and Ericsson, as well as all parties' adherence to their respective decision-making processes and other conditions under negotiation. As stated above, the Company still needs to comply with state-owned asset management procedures, as well as other necessary processes and procedures. These factors may have an impact on the realization and execution of the equity disposal, resulting in a certain level of uncertainty.

The Company will actively advance the implementation and execution of the equity disposal, strive to protect the legal rights and interests of its own, the other shareholders, and ENC. Throughout the subsequent implementation process, the Company will continue to disclose material progress on this matter and any significant impacts it may have on the Company, and provide periodic information disclosure. Investors are advised to pay attention to the Company's subsequent announcements and be aware of investment risks.

(2) Nanjing LG Panda Appliances Co., Ltd.

Unit: 0'000 Yuan Currency: RMB

Invested companies	Operating income	Net profit	Investment	
			Shareholding of the Company	income received by the Company
Nanjing LG Panda Appliances Co., Ltd.	710,162.67	32,329.33	30%	8,312.26

LG Panda was established on 21 December 1995 with a registered capital of US\$35.7 million. LG Panda is currently owned as to 30%, 50% and 20% by the Company, LG Electronics Co., Ltd., and LG Electronics (China) Co., Ltd., respectively. LG Panda is mainly engaged in the development and production of fully automatic washing machines and related components.

In 2024, LG Panda recorded the operating revenue of RMB7,101,626,700, representing a year-on-year increase of 18%, and the net profit of RMB323,293,300, representing a year-on-year increase of 91.96%. The changes in key indicators were due to: growth in sales of the Company's products and a year-on-year decline in financial expenses due to foreign exchange gains and losses.

(3) Others

Reference is made to the Announcement of Nanjing Panda on the “Completion of Registration Procedures for the Absorption and Merger of Wholly-owned Subsidiary (Lin. 2024-001)” published on the website of the Shanghai Stock Exchange on 9 January 2024, in which the Company completed the relevant registration procedures involving the absorption and merger of its wholly-owned subsidiary, Nanjing Panda Electronic Technology Development Co., Ltd.. The absorption and merger will not affect the net assets and current profit in the consolidated statement of the Company. This absorption and merger does not involve any change in the basic information of the company such as name, residence and registered capital, nor does it involve any change in the composition of the board of directors, the supervisory committee and the senior management.

In December 2023, the Company entered into an equity transfer agreement with its wholly-owned subsidiary, Galant Limited (佳恒興業有限公司), pursuant to which, Galant Limited transferred 18% equity interest in Information Industry Company to the Company at nil cost, Information Industry Company became a wholly-owned subsidiary of the Company after the transfer, and the industrial and commercial record and registration for the change of the ownership of such equity interest was completed on 2 April 2024.

1.4 2025 operating plan

The operating targets of the Company in 2025 are to achieve a operating income of RMB2.8 billion and total profit of RMB115.00 million. Based on the macro economic development at home and abroad, the Board formulated the above operating targets by taking into full consideration the development of the industry in which the Company operates and in combination with the actual situation of the Company. In the course of actual operation, the Company will be exposed to the impact of many uncertainties. The Company will uphold a pragmatic working style, insist on making progress while maintaining stability, and strive to achieve its operating targets.

1.5 Profit distribution proposal for 2024

At the 4th meeting of the 11th session of the Board of Directors of the Company held on 27 March 2025, the Resolution in relation to the “2024 Profit Distribution Plan of the Company” was considered and approved. After audit, the net loss of the Company attributable to shareholders of the listed company for the year 2024 amounted to RMB188,854,556.25. In order to safeguard the sustainable and stable operation of the Company and the long-term interests of all shareholders, after taking into account the Company’s business plan and capital requirements for 2025, and in accordance with “Supervisory Guideline for Listed Companies No. 3 – Cash Dividends for Listed Companies”, the Articles of Association, “Shareholders’ Return Plan (2025–2027)” and relevant regulations, the Company has formulated the 2024 profit distribution plan as follows: no profit distribution, nor capitalisation of capital surplus or other forms of distribution.

1.6 Appointment and dismissal of accounting firms

BDO China Shu Lun Pan Certified Public Accountants LLP served as the Company’s international auditor, domestic auditor and internal control auditor for 2022; WUYIGE Certified Public Accountants LLP served as the Company’s international auditor, domestic auditor and internal control auditor for 2023.

In 2024, the Resolution related to the Appointing the Accounting Firm for 2024 was considered and approved at the Company’s 24th meeting of the tenth session of the Board of Directors, proposing to re-appoint WUYIGE Certified Public Accountants LLP as the Company’s international auditor, PRC auditor and internal control auditor for the year 2024, determining its remuneration within the limit of RMB2,480,000, and agreeing to submit the above to the Company for consideration at 2023 annual general meeting. The Audit Committee of the Board of Directors of the Company is of the opinion that WUYIGE Certified Public Accountants LLP is independent, competent and capable of performing high quality audit work, having considered factors such as its experience, availability of sufficient time to perform the audit related work, personnel configuration, expertise and resources available to WUYIGE Certified Public Accountants LLP. The re-appointment of WUYIGE Certified Public Accountants LLP as the Company’s international auditor and PRC auditor as well as internal control auditor respectively for the year 2024 was considered and approved at the Company’s 2023 annual general meeting, and its remunerations were determined within the limit of RMB2,480,000.

For details, please refer to the relevant announcements of the Company published in China Securities Journal, Shanghai Securities News and on the website of the Shanghai Stock Exchange on 29 March 2024 and 22 June 2024 and on the website of the Hong Kong Stock Exchange on 28 March 2024 and 21 June 2024.

1.7 Tax policies

Particulars of tax preference enjoyed by the Company and its subsidiaries as at 31 December 2024 are set out in the notes to the financial statements prepared in accordance with the Accounting Standards for Business Enterprises of China. The tax preference for subsidiaries registered in Hong Kong is subject to local laws & regulations.

1.8 Basic medical insurance for employees

The Company acted pursuant to the “Provisional Regulations on Basic Medical Insurance for Employees in Nanjing Municipality” and implemented a basic medical insurance for its employees since 1 January 2001. For the year of 2023, the Company reduced the unit fee rate of employee medical insurance from 8.8% (including 0.8% for maternity insurance) to 7.8% and the individual premium remains unchanged in according to the “Notice on the Reduction of the Unit Fee Rate for Employees’ Basic Medical Insurance” (Ning Yi Fa [2023] No. 40), with effect from 1 January 2023.

1.9 Liability insurance for its directors, supervisors and senior management

During the reporting period, the Company purchased liability insurance for its directors, supervisors and senior management in compliance with the relevant regulations of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

1.10 Other Disclosures

(1) Liquidity of Capital

In accordance with the Accounting Standards for Business Enterprises of China, the gearing ratio of the Company (the ratio between total liabilities and total assets), current liabilities, liquidity ratio and quick ratio were 36.30%, RMB1.883 billion, 1.98 and 1.71, respectively as at 31 December 2024 as shown in the consolidated financial statements of the Company.

Cash: as at 31 December 2024, bank balances and cash amounted to RMB758 million as shown in the consolidated financial statements of the Company.

Loans: short-term bank loans and other loans amounted to RMB42 million as at 31 December 2024 as shown in the consolidated financial statements of the Company.

As of 20 December 2024, the LPR for 1 year was 3.1%, and the LPR for more than 5 years was 3.6%; as of 20 March 2025, the LPR for 1 year was 3.1%, and the LPR for more than 5 years was 3.6%. The loan prime rate can be available for public inspection at websites of National Interbank Funding Center and the People's Bank of China.

(2) Connected transactions relating to creditor's rights and debts

Unit: Yuan Currency: RMB

Connected parties	Connected Relationship	Provision of funds to connected parties			Provision of funds to the Company by connected parties		
		Opening balance	Amount of the transaction	Closing balance	Opening balance	Amount of the transaction	Closing balance
Nanjing Electronics Information Industrial Corporation	Indirect controlling shareholder				9,790,000.00		9,790,000.00
Panda Electronics Group Limited	Controlling shareholder				2,996,933.40	768,077,091	3,765,011.31
Nanjing Panda Electronics Transportation Company Limited	Subsidiary owned by shareholders					214,625.00	214,625.00
Nanjing Panda Technology Park Development Company Limited	Subsidiary owned by shareholders				20,000.00		20,000.00
Nanjing CEC Panda Real Estate Co., Ltd.	Subsidiary owned by shareholders				5,000	-5,000	0
Nanjing China Electronics Panda Lighting Co., Ltd.	Other related parties				5,000	5,000	10,000
Total					12,816,933.40	982,702.91	13,799,636.31

- (3)** The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**the Listing Rules**”) in so far as they are applicable in respect of the aforesaid connected and continuing connected transactions.

(4) *The Company's Code of Corporate Governance and Model Code*

During the reporting period, the Company has adopted and complied with the Corporate Governance Code as set out in Appendix 14 and the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in the Appendix 10 to the Listing Rules on the Stock Exchange of Hong Kong Limited.

(5) *Audit Committee*

The Company has set up an Audit Committee in compliance with the requirements of Rule 3.21 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. The Audit Committee has reviewed the interim financial report for 2024 and the audited financial report for 2024.

(6) *Purchase, sale or redemption of the Company's listed securities*

During the reporting period, no purchase, sale or redemption of the Company's listed securities were made by the Company.

(7) *Punishment and rectification to the listed Company, its directors, supervisors, senior management, controlling shareholder, ultimate controller and acquirers*

In January 2025, the Company received the Decision of Jiangsu Regulatory Bureau of China Securities Regulatory Commission on the “Measures of Issuing Warning Letters to Xia Dechuan, Hu Huichun and Hu Shoujun of Nanjing Panda Electronics Company Limited ([2025] No. 6)” (《江蘇證監局關於對南京熊貓電子股份有限公司、夏德傳、胡回春、胡壽軍採取出具警示函措施的決定》([2025]6號)) issued by the Jiangsu Regulatory Bureau of the China Securities Regulatory Commission, details of which are set out in the Company's announcement (No.: Lin 2025-001) published on the website of the Shanghai Stock Exchange on 14 January 2025.

- 2 Where there is a delisting risk warning or suspension of listing after the disclosure of the Company's annual report, the reasons leading to such delisting risk warning or suspension of listing should be disclosed.

☐ Applicable

☒ Not Applicable

IV. FINANCIAL STATEMENTS UNDER PRC ACCOUNTING STANDARDS

Consolidated Balance Sheet

Prepared by: Nanjing Panda Electronics Company Limited
31 December 2024

(Unit: RMB)

Items	Closing balance	Open balance
Current assets:		
Cash and cash equivalents	757,643,131.44	877,143,940.40
Financial assets held for trading	491,594,758.95	485,158,212.68
Derivative financial assets		
Notes receivable	98,477,213.49	131,647,314.14
Accounts receivable	1,407,009,242.46	1,169,980,610.79
Receivables financing	30,350,019.89	25,415,043.86
Advance to suppliers	27,410,781.74	35,470,548.75
Other receivables	36,680,080.03	31,490,701.86
Including: Interest receivable		
Dividend receivable		
Inventories	487,807,239.73	570,780,863.80
Including: data resource		
Contract assets	144,611,505.52	232,413,650.79
Held-for-sale assets		
Non-current assets due within one year	730,582.81	26,864,239.67
Other current assets	248,086,578.12	318,086,623.04
Total current assets	3,730,401,134.18	3,904,451,749.78

Items	Closing balance	Open balance
Non-current assets:		
Loans and advances to customers		
Debenture investments		
Other debenture investments		
Long-term receivables		
Long-term equity investments	492,989,930.44	469,854,173.02
Other equity instruments investments		
Other non-current financial assets		
Investment properties	182,988,535.58	189,381,629.96
Fixed assets	764,716,893.66	809,758,804.57
Construction in progress	1,506,311.96	991,937.24
Biological assets for production		
Fuel assets		
Right-of-use assets	8,464,815.42	12,873,600.15
Intangible assets	98,469,809.17	112,250,461.87
Including: data resource		
Development expenses		
Including: data resource		
Goodwill		
Long-term expenses to be amortised	16,398,879.07	18,654,129.54
Deferred income tax assets	19,542,269.84	21,270,332.26
Other non-current assets	5,329,316.34	1,469,073.94
Total non-current assets	1,590,406,761.48	1,636,504,142.55
Total assets	5,320,807,895.66	5,540,955,892.33

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	42,326,327.88	70,113,510.72
Borrowings from central bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Note payables	110,289,431.12	79,035,160.29
Accounts payable	1,328,218,690.98	1,438,956,161.93
Advance receipts from customers	468,971.75	201,635.72
Contract liabilities	108,769,990.54	90,217,009.26
Financial assets sold under repurchase agreements		
Customer deposits and deposits from banks and other financial institutions		
Security trading of agency		
Securities underwriting		
Staff salaries payable	59,341,157.51	52,328,572.83
Taxes payable	39,829,425.41	32,725,506.34
Other payables	103,658,239.63	97,124,968.36
Including: Interest payable		
Dividends payable	13,111,074.34	5,297,799.54
Bank charges and commissions due		
Reinsurers due		
Liabilities held for sale		
Non-current liabilities due within one year	5,848,681.83	4,088,888.95
Other current liabilities	84,356,494.83	36,882,036.51
Total current liabilities	1,883,107,411.48	1,901,673,450.91

Items	Closing balance	Opening balance
Non-current liabilities:		
Insurance contract reserves		
Long-term payables		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	4,628,222.00	9,101,840.09
Long-term payables		
Long-term staff salaries payables	4,200,641.03	5,934,601.09
Estimated liabilities	1,800,000.00	512,434.50
Deferred income	32,419,676.43	40,343,225.17
Deferred income tax liabilities	5,032,799.89	6,353,834.23
Other non-current liabilities		
Total non-current liabilities	48,081,339.35	62,245,935.08
Total liabilities	1,931,188,750.83	1,963,919,385.99

Items	Closing balance	Opening balance
Owners' equity:		
Share capital	913,838,529.00	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	1,470,691,800.13	1,470,691,800.13
Less: Treasury shares		
Other comprehensive income		
Special reserve	275,607.10	362,395.49
Surplus reserve	309,500,586.70	309,500,586.70
General preparation		
Undistributed profit	419,988,124.67	608,842,680.92
	<hr/>	<hr/>
Total equity attributable to the shareholders of the parent company	3,114,294,647.60	3,303,235,992.24
Minority interests	275,324,497.23	273,800,514.10
	<hr/>	<hr/>
Total owners' equity	3,389,619,144.83	3,577,036,506.34
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and owners' equity	5,320,807,895.66	5,540,955,892.33
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Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Parent Company Balance Sheet

Prepared by: Nanjing Panda Electronics Company Limited
31 December 2024

(Unit: RMB)

Items	Closing balance	Opening balance
Current assets:		
Cash and cash equivalents	64,793,248.82	101,558,320.19
Financial assets held for trading	200,541,369.86	125,077,197.49
Derivative financial assets		
Notes receivables	2,590,000.00	42,381,374.05
Accounts receivable	138,188,127.19	129,453,241.78
Financing receivables		
Prepayments	4,353,935.87	5,882,210.43
Other receivables	692,726,057.21	694,373,358.80
Including: Interest receivable		
Dividend receivable	377,960,335.78	421,960,335.78
Inventories	26,990,640.02	34,630,399.64
Including: data resource		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	32,642,794.52	
Total current assets	1,162,826,173.49	1,133,356,102.38

Items	Closing balance	Opening balance
Non-current assets:		
Debenture investments		
Other debenture investments		
Long-term receivables		
Long-term equity investments	1,106,475,911.13	1,233,582,803.06
Other equity instruments investments		
Other non-current financial assets		
Investment properties	492,600,160.79	552,152,625.45
Fixed assets	239,179,849.73	214,522,666.20
Construction in progress	746,173.91	194,185.98
Biological assets for production		
Fuel assets		
Right-of-use assets		
Intangible assets	66,640,489.07	69,062,325.08
Including: data resource		
Development expenses		
Including: data resource		
Goodwill		
Long-term deferred expense	14,483,614.99	17,048,756.12
Deferred tax assets		
Other non-current assets		
Total non-current assets	<u>1,920,126,199.62</u>	<u>2,086,563,361.89</u>
Total assets	<u>3,082,952,373.11</u>	<u>3,219,919,464.27</u>

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Derivative financial liabilities		
Note payables	24,619,303.68	9,488,517.75
Accounts payable	32,835,566.90	52,711,076.19
Advance receipts from customers	414,114.61	
Contract liabilities	168,817.60	1,298,382.38
Staff salaries payable	1,800,302.98	1,150,698.49
Taxes payable	10,954,216.58	12,314,604.05
Other payables	193,360,406.83	134,375,321.26
Including: Interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	6,389,314.73	5,033,246.76
Total current liabilities	270,542,043.91	216,371,846.88
Non-current liabilities:		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term staff salaries payable	606,390.93	861,981.02
Accrued liabilities		512,434.50
Deferred income		
Deferred income tax liabilities		19,299.38
Other non-current liabilities		
Total non-current liabilities	606,390.93	1,393,714.90
Total liabilities	271,148,434.84	217,765,561.78

Items	Closing balance	Opening balance
Owners' equity:		
Share capital	913,838,529.00	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	1,474,641,301.72	1,434,870,834.28
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	309,500,586.70	309,500,586.70
Undistributed profits	113,823,520.85	343,943,952.51
Total owners' equity	<u>2,811,803,938.27</u>	<u>3,002,153,902.49</u>
Total liabilities and owners' equity	<u>3,082,952,373.11</u>	<u>3,219,919,464.27</u>

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Consolidated Income Statement

Prepared by: Nanjing Panda Electronics Company Limited
The Year 2024

(Unit: RMB)

Items	Amount for the current period	Amount for the previous period
1. Total revenue	2,645,884,960.86	2,912,311,480.01
Including: Operating income	2,645,884,960.86	2,912,311,480.01
Interest income		
Premiums earned		
Fee and commission income		
2. Total operating cost	2,822,054,026.19	2,927,690,848.95
Including: Operating costs	2,220,744,587.45	2,398,000,168.52
Interest expenses		
Fee and commission expense		
Surrenders		
Net payment from indemnity		
Net provisions for insurance contract		
Insurance policy dividend paid		
Reinsurance cost		
Tax and surcharges	22,876,449.26	25,780,435.81
Selling expenses	45,292,628.32	40,939,857.79
Administrative expenses	283,038,723.68	263,667,430.75
R&D costs	262,177,873.98	211,187,548.93
Financial expenses	-12,076,236.50	-11,884,592.85
Including: Interest expense	506,758.31	656,417.03
Interest income	11,139,368.49	14,778,550.23

Items	Amount for the current period	Amount for the previous period
Add: Other gains	24,877,109.00	21,527,057.56
Investment income (losses are represented by “-”)	96,152,132.69	61,249,200.92
Including: Investment income of associates and joint ventures	83,013,136.15	42,723,633.71
Gains arising from derecognition of financial assets at amortised cost		
Exchange gain (losses are represented by “-”)		
Income on hedging the net exposure (losses are represented by “-”)		
Gains arising from changes in fair value (losses are represented by “-”)	4,914,915.97	-1,624,939.93
Credit impairment loss (losses are represented by “-”)	-27,310,416.22	-7,702,894.86
Asset impairment loss (losses are represented by “-”)	-46,693,274.64	-236,789,856.24
Gains on disposal of assets (losses are represented by “-”)	8,373.69	468,739.44
3. Operating profit (losses are represented by “-”)	-124,220,224.84	-178,252,062.05
Add: Non-operating income	987,777.94	6,525,564.98
Less: Non-operating expenses	1,389,551.26	2,018,586.92
4. Total profit (total losses are represented by “-”)	-124,621,998.16	-173,745,083.99
Less: Income tax expense	16,810,838.46	20,527,647.56

Items	Amount for the current period	Amount for the previous period
5. Net profit (net losses are represented by “-”)	-141,432,836.62	-194,272,731.55
(1) Classified by the business continuity		
1. Net profit for going concern (net losses are represented by “-”)	-141,432,836.62	-194,272,731.55
2. Net profit for discontinued operation (net losses are represented by “-”)		
(2) Classified by the attribution of the ownership		
1. Net profit attributable to the equity shareholders of the parent company (net losses are represented by “-”)	-188,854,556.25	-237,862,230.10
2. Minority interests (net losses are represented by “-”)	47,421,719.63	43,589,498.55
6. Net other comprehensive income after tax		
(I) Net other comprehensive income after tax attributable to shareholders of the parent company		
i. Other comprehensive income which will not be reclassified subsequently to profit and loss		
(1) Changes as a result of remeasurement of defined benefit plan		
(2) Other comprehensive income accounted for using equity method which will not be reclassified to profit and loss		
(3) Changes in fair value of other equity instruments investment		
(4) Changes in fair value of the enterprise’s own credit risk		

Items	Amount for the current period	Amount for the previous period
ii. Other comprehensive income which will be reclassified to profit and loss		
(1) Other comprehensive income accounted for using equity method which will be reclassified to profit and loss		
(2) Changes in fair value of other equity instruments investment		
(3) Amount of financial assets reclassified to other comprehensive income		
(4) Provision for credit impairment of other bonds investment		
(5) Cash flow hedging reserve (effective portion of cash flow hedge gains and losses)		
(6) Translation difference of financial statements in foreign currencies		
(7) Others		
(II) Net other comprehensive income after tax attributable to minority shareholders		
7. Total comprehensive income	-141,432,836.62	-194,272,731.55
(1) Total comprehensive income attributable to the equity shareholders of the parent company	-188,854,556.25	-237,862,230.10
(2) Total comprehensive income attributable to minority shareholders	47,421,719.63	43,589,498.55
8. Earnings per share		
(1) Basic earnings per share (RMB/share)	-0.2067	-0.2603
(2) Diluted earnings per share (RMB/share)	-0.2067	-0.2603

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Parent Company Income Statement

Prepared by: Nanjing Panda Electronics Company Limited
The Year 2024

(Unit: RMB)

Items	Amount for the current period	Amount for the previous period
1. Operating income	138,659,789.00	165,930,452.41
Less: Operating costs	82,612,299.17	112,411,565.67
Business taxes and surcharge	12,068,608.50	6,447,431.66
Selling expenses	4,239,244.64	4,682,477.90
Administrative expenses	129,759,853.15	109,790,822.18
R&D costs	57,505,257.94	31,529,129.01
Financial expenses	-1,844,362.87	-3,385,701.48
Including: Interest expense		
Interest income	930,713.39	2,310,058.25
Add: Other incomes	322,281.69	128,832.90
Investment income (losses are represented by “-”)	108,835,256.81	559,888,504.20
Including: Investment income of associates and joint ventures	83,122,640.63	42,302,868.92
Gains arising from derecognition of financial assets at amortised cost		
Income on hedging the net exposure (losses are represented by “-”)		
Income from change in fair value (losses are represented by “-”)	1,756,972.61	-924,514.84
Credit impairment loss (losses are represented by “-”)	-3,289,243.53	-1,756,374.23
Assets impairment loss (losses are represented by “-”)	-192,118,179.69	-231,730,796.12
Gains on disposal of assets (losses are represented by “-”)	-13,197.01	

Items	Amount for the current period	Amount for the previous period
2. Operating profit (losses are represented by “-”)	-230,187,220.65	230,060,379.38
Add: Non-operating income	72,506.05	1,301,488.53
Less: Non-operating expenses	25,016.44	516,162.32
3. Total profit (total losses are represented by “-”)	-230,139,731.04	230,845,705.59
Less: Income tax expense	-19,299.38	-231,128.70
4. Net profit (net losses are represented by “-”)	-230,120,431.66	231,076,834.29
(1) Net profit for going concern (net losses are represented by “-”)	-230,120,431.66	231,076,834.29
(2) Net profit for discontinued operation (net losses are represented by “-”)		
5. Net other comprehensive income after tax		
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss		
1. Changes as a result of remeasurement of defined benefit plan		
2. Other comprehensive income accounted for using equity method which will not be reclassified to profit and loss		
3. Changes in fair value of other equity instruments investment		
4. Changes in fair value of the enterprise’s own credit risk		

Items	Amount for the current period	Amount for the previous period
(2) Other comprehensive income which will be reclassified to profit and loss		
1. Other comprehensive income accounted for using equity method which will be reclassified to profit and loss		
2. Changes in fair value of other debt investment		
3. Amount of financial assets reclassified to other comprehensive income		
4. Provision for credit impairment of other debt investment		
5. Cash flow hedging reserve (effective portion of cash flow hedge gains and losses)		
6. Translation difference of financial statements in foreign currencies		
7. Others		
6. Total comprehensive income	-230,120,431.66	231,076,834.29
7. Earnings per share		
(1) Basic earnings per share (RMB/share)		
(2) Diluted earnings per share (RMB/share)		

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Consolidated Cash Flow Statement

Prepared by: Nanjing Panda Electronics Company Limited
The Year 2024

(Unit: RMB)

Items	Amount for the current period	Amount for the previous period
1. Cash flows from operating activities		
Cash received from the sale of goods and rendering of services	2,616,144,085.49	3,024,847,870.15
Net increase in deposits and placements from financial institutions		
Net increase in borrowings due to central bank		
Net increase in deposits and placements from financial institutions		
Cash received from premiums of original insurance contract		
Net amount of reinsurance business		
Net increase in deposits of the insured and investment		
Cash received from interests, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchasing		
Net cash received from securities brokerage		
Refunds of taxes	42,241,798.52	27,325,262.07
Cash received relating to other operating activities	118,386,346.90	120,642,530.40
Sub-total of cash inflows from operating activities	2,776,772,230.91	3,172,815,662.62
Cash paid on purchase of goods and services received	2,115,721,742.07	2,326,681,710.71

Items	Amount for the current period	Amount for the previous period
Net increase in loans and advances		
Net increase in deposits in the central bank and other financial institutions		
Cash paid for claim settlements on original insurance contract		
Net increase in placements with banks and other financial institutions		
Cash paid for interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	649,219,453.53	645,095,021.58
Cash paid for all types of taxes	103,357,352.36	142,521,180.53
Cash paid relating to other operating activities	173,748,417.06	124,368,804.42
Sub-total of cash outflows from operating activities	3,042,046,965.02	3,238,666,717.24
Net cash flows generated from operating activities	-265,274,734.11	-65,851,054.62
2. Cash flows from investing activities		
Cash received from return on investments		2,023,290.93
Cash received from income from investments	73,363,087.37	74,770,135.63
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	921,967.06	177,655.11
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investing activities	1,521,697,800.00	1,160,000,000.00
Sub-total of cash inflows from investing activities	1,595,982,854.43	1,236,971,081.67
Cash paid on purchase of fixed assets, intangible assets and other long-term assets	37,814,435.53	13,822,427.16
Cash paid for investments		
Net increase in secured loans		
Net cash paid on acquisition of subsidiaries and other operating entities		
Cash paid relating to other investing activities	1,455,255,428.92	1,342,472,360.00
Sub-total of cash outflows from investing activities	1,493,069,864.45	1,356,294,787.16
Net cash flows generated from investing activities	102,912,989.98	-119,323,705.49

Items	Amount for the current period	Amount for the previous period
3. Cash flows generated from financing activities		
Cash received from investment		
Including: Cash received by subsidiaries from minority shareholders' investment		
Cash received from borrowings		
Cash received relating to other financing activities	73,431,628.73	70,113,510.72
Sub-total of cash inflows from financing activities	73,431,628.73	70,113,510.72
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interest expenses	38,084,461.70	38,871,928.60
Including: bonus and profit paid to minority shareholders by subsidiaries	38,084,461.70	26,078,189.20
Cash paid relating to other financing activities	5,072,863.60	4,551,072.97
Sub-total of cash outflows from financing activities	43,157,325.30	43,423,001.57
Net cash flows generated from financing activities	30,274,303.43	26,690,509.15
4. Effect of fluctuations in exchange rate on cash and cash equivalents	189,794.31	2,359,714.20
5. Net increase in cash and cash equivalents	-131,897,646.39	-156,124,536.76
Add: balance of cash and cash equivalents at the beginning of the period	798,419,753.09	954,544,289.85
6. Balance of cash and cash equivalents at the end of the period	666,522,106.70	798,419,753.09
<i>Legal representative:</i> Hu Huichun	<i>Chief Accountant:</i> Hu Shoujun	<i>Head of the Accounting Department:</i> Xue Gang

Parent Company Cash Flow Statement

Prepared by: Nanjing Panda Electronics Company Limited
The Year 2024

(Unit: RMB)

Items	Amount for the current period	Amount for the previous period
1. Cash flows from operating activities		
Cash received from the sale of goods and rendering of services	163,142,185.25	118,240,256.27
Refunds of taxes	1,900,790.70	1,746,232.37
Cash received relating to other operating activities	25,334,190.70	49,331,383.92
Sub-total of cash inflows from operating activities	190,377,166.65	169,317,872.56
Cash paid on purchase of goods and services received	68,279,483.06	71,419,955.70
Cash paid to and on behalf of employees	108,105,120.86	104,904,876.30
Cash paid for all types of taxes	17,788,519.21	8,537,751.52
Cash paid relating to other operating activities	56,361,501.29	52,948,102.06
Sub-total of cash outflows from operating activities	250,534,624.42	237,810,685.58
Net cash flows generated from operating activities	-60,157,457.77	-68,492,813.02
2. Cash flows from investing activities		
Cash received from disposal and returns of investments		2,023,290.93
Cash received from return on investments	130,745,298.17	155,935,887.42
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	8,000.00	
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investing activities	421,000,000.00	607,000,000.00
Sub-total of cash inflows from investing activities	551,753,298.17	764,959,178.35
Cash paid on purchase of fixed assets, intangible assets and other long-term assets	11,180,573.33	11,256,839.97

Items	Amount for the current period	Amount for the previous period
Cash paid for investments		
Net cash paid on acquisition of subsidiaries and other operating entities		
Cash paid relating to other investing activities	571,282,671.23	659,000,000.00
Sub-total of cash outflows from investing activities	582,463,244.56	670,256,839.97
Net cash flows generated from operating activities	-30,709,946.39	94,702,338.38
3. Cash flows from financing activities		
Cash received from investment		
Cash received from borrowings		
Cash received relating to other financing activities	414,000,000.00	418,500,000.00
Sub-total of cash inflows from financing activities	414,000,000.00	418,500,000.00
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interests expenses		12,793,739.40
Cash paid on other financing activities	364,000,000.00	450,000,000.00
Sub-total of cash outflows from financing activities	364,000,000.00	462,793,739.40
Net cash flows from financing activities	50,000,000.00	-44,293,739.40
4. Effect of fluctuations in exchange rates on cash and cash equivalents	96.88	93.01
5. Net increase in cash and cash equivalents	-40,867,307.28	-18,084,121.03
Add: balance of cash and cash equivalents at the beginning of the period	101,341,164.10	119,425,285.13
6. Balance of cash and cash equivalents at the end of the period	60,473,856.82	101,341,164.10

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Prepared by: Nanjing Panda Electronics Company Limited

(Unit: RMB)

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(Unit: RMB)

Items	Current period												
	Equity attributable to the owners of parent company											Total owners' equity	
	Other equity instrument		Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal		
Share capital	Preference shares	Perpetual bonds										Others	
III. Changes of current year (decreases are represented by “-”)													
(I) Total comprehensive income						-86,788.39			-188,854,556.25		-188,941,344.64	1,523,983.13	-187,417,361.51
(II) Share capital contributed or withdrew by owners									-188,854,556.25		-188,854,556.25	47,421,719.63	-141,432,836.62
1. Share capital contributed by owners													
2. Capital contributed by holders of other equity instruments													
3. Amount of share-based payment included in owner's equity													
4. Others													
(III) Profit distribution													
1. Appropriation of surplus reserve												-45,897,736.50	-45,897,736.50
2. Appropriation of general risk reserve													
3. Appropriation of profit to owners													
4. Others												-45,897,736.50	-45,897,736.50

(Unit: RMB)

Items	Current period									
	Equity attributable to the owners of parent company									
	Other equity instrument		Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal
	Share capital	Preference shares								
	capital	bonds	Others	Capital reserve						Total owners' equity
(IV) Internal carry-over within equity										
1. Transfer of capital reserve to capital										
2. Transfer of surplus reserve to capital										
3. Surplus reserve to cover losses										
4. Change in defined benefit plan carried over to retained earnings										
5. Other comprehensive income carried over to retained earnings										
6. Others										
(V) Special reserve										
1. Appropriation for the current period										
2. Application for the current period										
(VI) Others										
IV. Balance at the end of current period	913,838,529.00			1,470,691,800.13	275,607.10	309,500,586.70		419,988,124.67	3,114,294,647.60	3,389,619,144.83

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

Head of the Accounting Department:
Xue Gang

Items	Previous period									
	Equity attributable to the owners of parent company									
	Other equity instrument			Less:	Other comprehensive income			Undistributed profit	Others	Subtotal
	Share capital	Preference shares	Perpetual bonds		Capital reserve	treasury shares	comprehensive income			
I. Balance at the end of prior year	913,838,529.00				1,470,691,800.13		-948,055.10			
Add: Changes in accounting policies										
Error correction of previous period										
Others										
								883,845,917.89	3,553,958,826.75	256,289,204.75
										3,810,248,031.50
II. Balance at the beginning of current year	913,838,529.00				1,470,691,800.13		-948,055.10			
								883,845,917.89	3,553,958,826.75	256,289,204.75
										3,810,248,031.50

Items	Previous period													
	Equity attributable to the owners of parent company													
	Other equity instrument			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
	Share capital	Preference shares	Perpetual bonds											
	Others													
III. Changes of current year (decreases are represented by “-”)														
(I) Total comprehensive income					948,055.10	362,395.49	22,969,951.87		-275,003,236.97	-250,722,834.51	17,511,309.35	-233,211,525.16		
(II) Share capital contributed or withdrew by owners									-237,862,230.10	-237,862,230.10	43,589,498.55	-194,277,731.55		
1. Share capital contributed by owners														
2. Capital contributed by holders of other equity instruments														
3. Amount of share-based payment included in owner's equity														
4. Others							23,107,683.43		-35,901,422.83	-12,793,739.40	-26,078,189.20	-38,871,928.60		
(III) Profit distribution														
1. Appropriation of surplus reserve							23,107,683.43		-23,107,683.43					
2. Appropriation of general risk reserve														
3. Appropriation of profit to owners									-12,793,739.40	-12,793,739.40	-26,078,189.20	-38,871,928.60		
4. Others														

Items	Previous period														
	Equity attributable to the owners of parent company														
	Other equity instrument					Less:	Other comprehensive income					Subtotal	Minority interests	Total owners' equity	
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve		treasury shares	Capital reserve	Surplus reserve	General risk reserve	Undistributed profit				Others
(IV) Internal carry-over within equity							948,055.10								
1. Transfer of capital reserve to capital								-94,805.51		-853,249.59					
2. Transfer of surplus reserve to capital															
3. Surplus reserve to cover losses															
4. Change in defined benefit plan carried over to retained earnings															
5. Other comprehensive income carried over to retained earnings							948,055.10		-94,805.51	-853,249.59					
6. Others															
(V) Special reserve									362,395.49			362,395.49			362,395.49
1. Appropriation for the current period									1,483,824.66			1,483,824.66			1,483,824.66
2. Application for the current period									1,121,429.17			1,121,429.17			1,121,429.17
(VI) Others								-42,926.05		-386,334.45		-429,260.50			-429,260.50
IV. Balance at the end of current period	913,838,529.00					1,470,691,800.13			362,395.49	309,500,586.70	608,842,680.92	3,303,235,992.24	273,800,514.10		3,577,036,506.34

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

Head of the Accounting Department:
Xue Gang

Parent Company Statement of changes in shareholders' equity

Prepared by : Nanjing Panda Electronics Company Limited

The Year 2024

(unit: RMB)

Items	Current Period						
	Other equity instrument			Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve
	Share capital	Preference shares	Perpetual bonds				
			Others	Capital reserve		Undistributed profit	Total owners' equity
I. Balance at the end of prior year	913,838,529.00			1,434,870,834.28		343,943,952.51	3,002,153,902.49
Add: Changes in accounting policies							
Error correction of previous period							
Others							
II. Balance at the beginning of current year	913,838,529.00			1,434,870,834.28		343,943,952.51	3,002,153,902.49
III. Changes of current year (decreases are represented by "-")				39,770,467.44		-230,120,431.66	-190,349,964.22
(I) Total comprehensive income						-230,120,431.66	-230,120,431.66
(II) Share capital contributed or withdrew by owners							
1. Share capital contributed by owners							
2. Capital contributed by holders of other equity instruments							
3. Amount of share-based payment included in owner's equity							
4. Others							

(unit: RMB)

Items	Current Period								Total owners' equity
	Other equity instrument				Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit
	Share capital	Preference shares	Perpetual bonds	Others					
(III) Profit distribution									
1. Appropriation of surplus reserve									
2. Appropriation to owners									
3. Others									
(IV) Internal carry-over within equity									
1. Transfer of capital reserve to capital									
2. Transfer of surplus reserve to capital									
3. Surplus reserve to cover losses									
4. Change in defined benefit plan carried over to retained earnings									
5. Other comprehensive income carried over to retained earnings									
6. Others									
(V) Special reserve									
1. Appropriation for the current period									
2. Application for the current period									
(VI) Others									
								39,770,467.44	39,770,467.44
IV. Balance at the end of current period	913,838,529.00							309,500,586.70	113,823,520.85
									2,811,803,938.27

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

Head of the Accounting Department:
Xue Gang

Items	Previous period							
	Other equity instrument				Less:			
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	treasury shares	comprehensive income	Other income
I. Balance at the end of prior year	913,838,529.00				1,434,870,834.28		-948,055.10	
Add: Changes in accounting policies								
Error correction of previous period								
Others								
							286,530,634.83	286,530,634.83
								304,356,612.37
								2,938,648,555.38
II. Balance at the beginning of current year	913,838,529.00				1,434,870,834.28		-948,055.10	
								286,530,634.83
								304,356,612.37
								2,938,648,555.38
III. Changes of current year (decreases are represented by "-")								
(I) Total comprehensive income							948,055.10	948,055.10
(II) Share capital contributed or withdrew by owners								
1. Share capital contributed by owners								
2. Capital contributed by holders of other equity instruments								
3. Amount of share-based payment included in owner's equity							22,969,951.87	22,969,951.87
4. Others								39,587,340.14
								231,076,834.29
								63,505,347.11
								231,076,834.29
								231,076,834.29

Items	Previous period						
	Other equity instrument			Capital reserve	Less: treasury shares	Other comprehensive income	Total owners' equity
	Share capital	Preference shares	Perpetual bonds				
(III) Profit distribution							
1. Appropriation of surplus reserve							
2. Appropriation to owners							
3. Others							
(IV) Internal carry-over within equity							
1. Transfer of capital reserve to capital							
2. Transfer of surplus reserve to capital							
3. Surplus reserve to cover losses							
4. Change in defined benefit plan carried over to retained earnings							
5. Other comprehensive income carried over to retained earnings							
6. Others							
(V) Special reserve							
1. Appropriation for the current period							
2. Application for the current period							
(VI) Others							
IV. Balance at the end of current year	913,838,529.00			1,434,870,834.28			

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

Head of the Accounting Department:
Xue Gang

Notes

1. BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis. The recognition and measurement have been made on actual transactions and events in accordance with the “Accounting Standards for Business Enterprises – Basic Standards”, specific accounting standards, guidance on the application of Accounting Standards for Business Enterprises, interpretation of Accounting Standards for Business Enterprises, and other relevant provisions (hereinafter referred to as “Accounting Standards for Business Enterprises” or “CAS”). These financial statements also comply with the disclosure requirements of “Regulation on the Preparation of Information Disclosures by Companies Issuing Securities, No. 15: General Requirements for Financial Reports” as revised by the China Securities Regulatory Commission (“CSRC”).

2. GOING CONCERN

There is no significant factor affecting the ability of the Company to continue as a going concern within 12 months from the end of the reporting period.

3. SEGMENT INFORMATION

According to the Company’s internal organizational structure, management requirements and internal reporting system, three reportable branches were identified, namely: smart transportation and safe city, green service-oriented electronic manufacturing, industrial Internet and intelligent manufacturing. The Company’s various reportable branches provide different products or services, or engage in business activities in different regions. Due to the need for different technologies or market strategies for each branch, the management of the Company separately manages the operating activities of them, regularly evaluates the operating results, and decides to allocate resources to them and evaluate their performance.

The transfer prices between segments are determined based on the actual transaction prices. Indirect expenses that are attributable to each segment are allocated among the segments in proportion. Assets are allocated based on the operations of the segments and the location of the assets. Segment liabilities include liabilities arising from the segment’s operating activities that are attributable to the segment. If expenses related to liabilities that are jointly borne by multiple operating segments are allocated to these operating segments, the jointly borne liabilities are also allocated to these operating segments.

Non-current assets are classified according to the region in which the assets are located in, and the Company's non-current assets are all located in the territory of China.

The following tables set out the segment information for the year ended 31 December 2024 and the year ended 31 December 2023.

For the year ending 31 December 2024

Currency: RMB yuan

Item	Smart Transportation and Safe city	Green Service-oriented Electronic Manufacturing	Industrial Internet and Intelligent Manufacturing	Offsetting	Total
Revenue	1,293,947,769.97	1,292,466,435.35	172,035,792.40	-112,565,036.86	2,645,884,960.86
Investment income from associates and joint ventures	83,013,136.15	0.00	0.00		83,013,136.15
Assets impairment losses	-28,231,462.96	-4,267,036.71	-14,802,512.88	47,731.21	-47,253,281.34
Credit impairment losses	-20,651,589.64	-599,522.01	-5,499,297.87		-26,750,409.52
Depreciation and Amortization	61,493,857.30	29,150,923.90	18,297,816.36	-1,869,406.57	107,073,190.99
Total profit (Total loss)	-31,428,410.88	26,999,850.61	-123,051,952.26	2,858,514.37	-124,621,998.16
Income tax expenses	17,567,121.33	-831,820.50	0.00	75,537.63	16,810,838.46
Net profit (Net loss)	-48,995,532.21	27,831,671.11	-123,051,952.26	2,782,976.74	-141,432,836.62
Total assets	4,679,279,831.94	1,140,594,245.55	320,336,146.49	-819,402,328.32	5,320,807,895.66
Total liabilities	1,457,089,092.70	624,459,739.43	439,643,618.11	-590,003,699.41	1,931,188,750.83
Long-term equity investments in associates and joint ventures	492,989,930.44	0.00	0.00		492,989,930.44
Increase in other non-current assets except long-term equity investments	-53,381,591.12	-4,151,166.02	-13,017,566.41	1,317,185.06	-69,233,138.49

For the year ending 31 December 2023

Currency: RMB yuan

Item	Smart Transportation and Safe city	Green Service-oriented Electronic Manufacturing	Industrial Internet and Intelligent Manufacturing	Offsetting	Total
Revenue	1,487,589,305.05	1,382,102,496.01	210,793,896.22		2,912,311,480.01
Investment income from associates and joint ventures	42,723,633.71				42,723,633.71
Assets impairment losses	-232,494,002.52	-105,067.61	-4,190,786.11		-236,789,856.24
Credit impairment losses	-8,980,571.82	34,302.80	1,243,374.16		-7,702,894.86
Depreciation and Amortization	64,922,760.30	29,584,470.99	21,107,880.96	-865,848.52	114,749,263.73
Total profit (Total loss)	-164,272,629.44	48,884,340.41	-56,432,965.46	-1,923,829.50	-173,745,083.99
Income tax expenses	17,004,301.86	3,550,468.38		-27,122.68	20,527,647.56
Net profit (Net loss)	-181,276,931.30	45,333,872.03	-56,432,965.46	-1,896,706.82	-194,272,731.55
Total assets	5,718,012,309.78	1,189,777,517.12	395,986,951.97	-1,762,820,886.54	5,540,955,892.33
Total liabilities	1,786,060,704.40	681,650,059.43	392,155,682.94	-895,947,060.78	1,963,919,385.99
Long-term equity investments in associates and joint ventures	469,854,173.02				469,854,173.02
Increase in other non-current assets except long-term equity investments	-33,623,653.64	-15,067,615.27	-25,605,222.22	-24,227,973.41	-98,524,464.54

4. ACCOUNTS RECEIVABLE

4.1. Accounts receivable by aging

Aging	Balance as at 31 December 2024	Balance as at 31 December 2023
Within 1 year	1,058,676,684.09	898,726,719.36
Including: 0-6 months	834,046,420.47	752,931,027.42
7-12 months	224,630,263.62	145,795,691.94
1-2 years	224,822,427.20	163,727,528.96
2-3 years	90,518,974.51	90,351,481.81
3-4 years	54,186,725.99	49,445,567.73
4-5 years	41,979,545.13	29,122,261.07
More than 5 years	46,396,005.16	19,751,573.64
Sub-total	<u>1,516,580,362.08</u>	<u>1,251,125,132.57</u>
Less: Allowance for credit losses	109,571,119.62	81,144,521.78
Total	<u><u>1,407,009,242.46</u></u>	<u><u>1,169,980,610.79</u></u>

Note: The aging is counted starting from the date when accounts receivable is recognized.

4.2. Accounts receivable by provisioning method

Category	As at 31 December 2024				
	Book Value		Allowance for credit losses		Carrying Amount
	Amount	Percentage (%)	Amount	Expected	
				Credit Loss Rate (%)	
Individual assessment	45,965,959.08	3.03	34,669,384.08	75.42	11,296,575.00
Collective assessment	1,470,614,403.00	96.97	74,901,735.54	5.09	1,395,712,667.46
Including: aging group	1,151,378,825.75	75.92	70,943,007.98	6.16	1,080,435,817.77
Other group	<u>319,235,577.25</u>	<u>21.05</u>	<u>3,958,727.56</u>	<u>1.24</u>	<u>315,276,849.69</u>
Total	<u><u>1,516,580,362.08</u></u>	<u><u>100.00</u></u>	<u><u>109,571,119.62</u></u>	<u><u>7.22</u></u>	<u><u>1,407,009,242.46</u></u>

Category	Book Value		As at 1 January 2024 Allowance for credit losses		Carrying Amount
	Amount	Percentage (%)	Amount	Expected	
				Credit Loss Rate (%)	
Individual assessment	46,148,319.89	3.69	34,851,744.89	75.52	11,296,575.00
Collective assessment	1,204,976,812.68	96.31	46,292,776.89	3.84	1,158,684,035.79
Including: aging group	750,440,954.95	59.98	46,126,559.46	6.15	704,314,395.49
Other group	454,535,857.73	36.33	166,217.43	0.04	454,369,640.30
Total	<u>1,251,125,132.57</u>	<u>100.00</u>	<u>81,144,521.78</u>	<u>6.49</u>	<u>1,169,980,610.79</u>

Accounts receivable that are individually assessed for provisions at the reporting date

Company name	Book Value	Allowance for credit losses	Expected	Reasons
			Credit Loss Rate (%)	
Jiangsu Jinmao Robot Technology Co., Ltd.	22,593,150.00	11,296,575.00	50	Expected to be partially unrecoverable
Xuzhou Suning Real Estate Co., Ltd.	6,611,197.07	6,611,197.07	100	Expected to be unrecoverable
Jiangsu Zhongshi Environmental Technology Co., Ltd.	6,500,000.00	6,500,000.00	100	Expected to be unrecoverable
Nanchang Shuntang Green Electric Technology Co., Ltd.	2,553,482.35	2,553,482.35	100	Expected to be unrecoverable
Wenzhou Zhongdian Xingxin Intelligent Technology Co., Ltd.	2,040,000.00	2,040,000.00	100	Expected to be unrecoverable
Information Technology Department of a Military Region	2,023,000.00	2,023,000.00	100	Expected to be unrecoverable
Zhejiang Bajun Plastic Industry Co., Ltd.	1,600,000.00	1,600,000.00	100	Expected to be unrecoverable
Other unimportant totals	2,045,129.66	2,045,129.66	100	Expected to be unrecoverable
Total	<u>45,965,959.08</u>	<u>34,669,384.08</u>		

Accounts receivable that are assessed on grouping basis for provisions at the reporting date:

Collective assessment: Aging group

Aging	As at 31 December 2024			As at 1 January 2024		
	Book Value	Expected	Credit losses	Book Value	Expected	Credit losses
		Loss Rate (%)	allowance		Loss Rate (%)	allowance
Within 1 year	851,408,942.18		7,110,878.56	528,544,948.54		3,532,674.69
Including: 0-6 months	709,191,371.03			457,891,454.74		
7-12 months	142,217,571.15	5.00	7,110,878.56	70,653,493.80	5	3,532,674.69
1-2 years	163,641,078.03	10.00	16,364,107.79	94,005,038.07	10	9,400,503.81
2-3 years	49,005,295.10	15.00	7,350,794.26	70,651,033.45	15	10,597,655.02
3-4 years	39,276,073.88	30.00	11,782,822.16	46,416,084.89	30	13,924,825.47
4-5 years	39,426,062.71	50.00	19,713,031.36	4,305,899.07	50	2,152,949.54
Over 5 years	8,621,373.85	100.00	8,621,373.85	6,517,950.93	100	6,517,950.93
Total	<u>1,151,378,825.75</u>	6.16	<u>70,943,007.98</u>	<u>750,440,954.95</u>		<u>46,126,559.46</u>

Collective assessment: Others

Group Name	As at 31 December 2024			As at 1 January 2024		
	Book Value	Expected	Credit losses	Book Value	Expected	Credit losses
		Loss Rate (%)	allowance		Loss Rate (%)	allowance
Related party	<u>319,235,577.25</u>	<u>1.24</u>	<u>3,958,727.56</u>	<u>454,535,857.73</u>	<u>0.04</u>	<u>166,217.43</u>
Total	<u>319,235,577.25</u>	<u>1.24</u>	<u>3,958,727.56</u>	<u>454,535,857.73</u>	<u>0.04</u>	<u>166,217.43</u>

4.3. Movements of Allowance for credit losses

Item	Balance at 1 January 2024	Changes during the year				Balance at 31 December 2024
		Provision	Recovery or Reversal	Write-off	Others ¹	
Individual assessment	34,851,744.89	43,588.96	240,809.22		14,859.45	34,669,384.08
Collective assessment	<u>46,292,776.89</u>	<u>28,048,951.95</u>				<u>74,341,728.84</u>
Total	<u>81,144,521.78</u>	<u>28,092,540.91</u>	<u>240,809.22</u>		<u>14,859.45</u>	<u>109,011,112.92</u>

Note: 1 Others involve the reversal of accounts receivable in year 2024 that had been written off in prior period.

4.4. No accounts receivable was written off during the reporting period.

4.5. Five largest accounts receivable and contract assets by debtor at the end of the year:

Entity name	Balance of account receivable as at 31/12/2024	Balance of contract assets as at 31/12/2024	Total balance of accounts receivable and contract assets as at 31/12/2024	Percentage of total accounts receivable and contract assets (%)	Balance of allowance for credit losses as at 31/12/2024
Nanjing Metro Group Co., Ltd.	295,452,731.25		295,452,731.25	17.65	7,276,432.98
Nanjing Panda Handa Technology Co., Ltd.	183,546,723.10		183,546,723.10	10.97	1,079,781.29
Ma'anshan Chujiang Intercity Rail Transit Co., Ltd.	50,895,888.86		50,895,888.86	3.04	
Huai'an Financial Center Investment and Construction Co., Ltd.		40,141,919.11	40,141,919.11	2.40	4,014,191.91
Chengdu zhiyuanhui Information Technology Co., Ltd.	<u>39,700,002.93</u>		<u>39,700,002.93</u>	<u>2.37</u>	<u>187,671.36</u>
Total	<u>569,595,346.14</u>	<u>40,141,919.11</u>	<u>609,737,265.25</u>	<u>36.43</u>	<u>12,558,077.54</u>

4.6. Overdue accounts receivable at 31 December 2024

Item	Carrying amount
Current (not past due or impaired)	1,308,445,718.31
1-3 months past due	32,709,440.24
More than 3 months past due	<u>175,425,203.53</u>
Total	<u><u>1,516,580,362.08</u></u>

5. CONTRACT ASSETS

5.1. Contract assets by categories

Item	Balance at 31 December 2024			Balance at 1 January 2024		
	Book Value	Impairment loss	Carrying amount	Book Value	Impairment loss	Carrying amount
Smart Transportation and Safe city	157,113,052.22	12,501,546.70	144,611,505.52	229,623,650.79		229,623,650.79
Industrial Internet and intelligent manufacturing				2,790,000.00		<u>2,790,000.00</u>
Total	<u>157,113,052.22</u>	<u>12,501,546.70</u>	<u>144,611,505.52</u>	<u>232,413,650.79</u>		<u><u>232,413,650.79</u></u>

5.2. Significant changes in the contract assets and reasons during the reporting period

Item	Amount of change	Reason
Smart Transportation and Safe city	-85,012,145.27	Reduced amount due to changes in settlement progress
Industrial Internet and intelligent manufacturing	-2,790,000.00	Reduced amount due to changes in settlement progress

5.3. Contract assets by provision method for impairment loss

Contract assets that are assessed on grouping basis for provision :

Item	Balance at 31 December 2024			Balance at 1 January 2024		
	Book Value	Expected loss rate (%)	Impairment loss	Book Value	Expected loss rate (%)	Impairment loss
Aging group	157,113,052.22	7.96	12,501,546.70	224,923,025.51		
Other group				7,490,625.28		
Total	<u>157,113,052.22</u>	<u>7.96</u>	<u>12,501,546.70</u>	<u>232,413,650.79</u>		

(1) Aging group

Aging	Balance at 31 December 2024		
	Contract asset	Impairment loss	Allowance rate (%)
Within 1 year	32,097,585.27		
Including: 0-6 months	32,097,585.27		
1-2 years	<u>125,015,466.95</u>	<u>12,501,546.70</u>	<u>10.00</u>
Total	<u>157,113,052.22</u>	<u>12,501,546.70</u>	<u>7.96</u>

5.4. Allowance for credit losses on contract assets

Item	Changes during the year					Balance at 31 December 2024	Reason
	Balance at 1 January 2024	Provision	Recovery or Reversal	Write-off	Others		
Smart Transportation and Safe city		<u>12,501,546.70</u>				<u>12,501,546.70</u>	Expected credit loss
Total		<u>12,501,546.70</u>				<u>12,501,546.70</u>	

6. RIGHT-OF-USE ASSETS

Item	Houses and Buildings	Machinery & Equipment	Total
I. Cost			
1. Balance as at 1 January 2024	17,348,091.47		17,348,091.47
2. Additions during the year (1) New lease			
3. Decrease during the year (1) Lease contracts expired	643,171.09 643,171.09		643,171.09 643,171.09
4. Balance as at 31 December 2024	16,704,920.38		16,704,920.38
II. Accumulated depreciation			
1. Balance as at 1 January 2024	4,474,491.32		4,474,491.32
2. Additions during the year (1) Provision	4,408,784.73 4,408,784.73		4,408,784.73 4,408,784.73
3. Decrease during the year (1) Lease contracts expired	643,171.09 643,171.09		643,171.09 643,171.09
4. Balance as at 31 December 2024	8,240,104.96		8,240,104.96
III. Provision for impairment			
1. Balance as at 1 January 2024			
2. Balance as at 31 December 2024			
IV. Carrying amount			
1. Balance as at 31 December 2024	8,464,815.42		8,464,815.42
2. Balance as at 1 January 2024	12,873,600.15		12,873,600.15

7. ACCOUNTS PAYABLE

7.1. Accounts payable by aging

Item	Balance as at 31 December 2024	Balance as at 1 January 2024
Within 1 year (including 1 year)	987,034,107.84	1,105,513,436.73
1 – 2 years(including 2 years)	209,102,581.68	182,500,176.61
2 – 3 years(including 3 years)	53,611,183.43	75,863,171.08
More than 3 years	78,470,818.03	75,079,377.51
Total	<u>1,328,218,690.98</u>	<u>1,438,956,161.93</u>

Note: The aging is counted starting from the date when accounts payable is recognized.

7.2. Significant accounts payable aging over 1 year

Creditor	Balance as at 31 December 2024	Reasons
Nanjing Metro Resource Development Co., Ltd	27,945,039.94	Not settled
Zhongtian RF Cable Co., Ltd	20,548,855.13	Not settled
Jiangsu Zhongzhishun Technology Co., Ltd.	13,644,275.40	Not settled
China Mobile Zhejiang Co., Ltd. Shaoxing Branch	13,322,582.81	Not settled
Beijing Quanlu Communication and Signal Research and Design Institute Group Co., Ltd	12,951,566.98	Not settled
Nanjing Kongchi Technology Co., Ltd	11,186,891.04	Not settled
Kehua DATA Co., Ltd.	5,990,627.06	Not settled
Henan Dashun Construction Labor Service Co., Ltd.	5,784,000.00	Not settled
Southwest China Institute of Applied Magnetism (9th Research Institute of China Electronics Technology Group Corporation)	5,219,800.00	Not settled
Shanghai Hongyi Information Technology Co., Ltd.	4,662,154.07	Not settled
Total	<u>121,255,792.43</u>	

8. CONTRACT LIABILITIES

8.1. Classification of contract liabilities

Item	Balance as at 31 December 2024	Balance as at 1 January 2024
Smart Transportation and Safe City	48,867,867.30	49,541,036.72
Industrial Internet and intelligent manufacturing	32,359,975.83	28,390,183.47
Green service-oriented electronic manufacturing	27,542,147.41	12,285,789.07
Total	<u>108,769,990.54</u>	<u>90,217,009.26</u>

8.2. Significant changes in the contract liabilities and reasons during the reporting period

Item	Amount of change	Reason
Smart Transportation and Safe City	3,969,792.36	Increase in amount due to cash received
Industrial Internet and intelligent manufacturing	15,256,358.34	Increase in amount due to cash received

9. LEASE LIABILITIES

Item	Balance as at 31 December 2024	Balance as at 1 January 2024
Lease payment	9,303,070.75	13,535,031.16
Less: Unrealized finance expense	526,166.92	344,302.12
Less: Lease liabilities due within one year	<u>4,148,681.83</u>	<u>4,088,888.95</u>
Total	<u><u>4,628,222.00</u></u>	<u><u>9,101,840.09</u></u>

10. OPERATING INCOME AND OPERATING COSTS

10.1. Operating income and operating costs by category

Item	Amount for the current period		Amount for the previous period	
	Income	Costs	Income	Costs
Principal activities	2,612,549,693.59	2,213,860,194.41	2,882,972,125.63	2,383,187,928.16
Other operating activities	<u>33,335,267.27</u>	<u>6,884,393.04</u>	<u>29,339,354.38</u>	<u>14,812,240.36</u>
Total	<u><u>2,645,884,960.86</u></u>	<u><u>2,220,744,587.45</u></u>	<u><u>2,912,311,480.01</u></u>	<u><u>2,398,000,168.52</u></u>

10.2. Table of Deductions from Operating Income

Item	2024	Deduction	2023	Deduction
Operating income	2,645,884,960.86		2,912,311,480.01	
Total amount reduced from operating income	6,163,863.19		5,421,338.63	
The proportion of the total amount deducted to operating income (%)	0.23	/	0.19	/
I. Operating income unrelated to principal activities				
1. Other business income outside ordinary course of business, such as rental revenue of fixed assets, intangible assets and packing material; revenue from selling material or exchanging non-monetary assets with materials; revenues from operating entrusted management businesses, and other activities that are not main business for the listed company although included in the operating income.	6,163,863.19	Other operating income such as sales of materials, waste materials and parking fees, etc.	5,421,338.63	Other operating income such as sales of materials, waste materials and parking fees, etc.
Subtotal of operating income unrelated to principal activities	6,163,863.19		5,421,338.63	
II. Income without commercial substance				
III. Other income unrelated to principal activities or without commercial substance				
Net Operating income	2,639,721,097.67		2,906,890,141.38	

10.3.Breakdown information of operating income and operating costs

Income Categories	Smart transportation and safe city		Industrial Internet and intelligent manufacturing		Green service-oriented electronic manufacturing		Offsetting		Total	
	Operating Income	Operating Costs	Operating Income	Operating Costs	Operating Income	Operating Costs	Operating Income	Operating Costs	Operating Income	Operating Costs
Business type										
Income from contracts with customer	172,035,792.40	197,203,499.36	1,161,067,795.88	923,955,549.28	1,292,466,435.35	1,171,375,344.57	-95,200,483.47	-91,858,593.09	2,530,369,540.16	2,200,675,800.12
Rental income										
– operating leases			132,879,974.09	31,685,334.47			-17,364,553.39	-11,616,547.14	115,515,420.70	20,068,787.33
Total	172,035,792.40	197,203,499.36	1,293,947,769.97	955,640,883.75	1,292,466,435.35	1,171,375,344.57	-112,565,036.86	-103,475,140.23	2,645,884,960.86	2,220,744,587.45
Operating region										
Nanjing	172,035,792.40	197,203,499.36	1,123,496,193.45	882,160,278.07	601,904,555.55	538,921,095.45	-54,942,967.92	-47,781,761.11	1,842,493,573.48	1,570,503,111.77
Shenzhen			170,451,576.52	73,480,605.68	609,790,757.07	537,259,820.29	-57,622,068.94	-55,693,379.12	722,620,264.65	555,047,046.85
Chengdu					80,771,122.73	95,194,428.83			80,771,122.73	95,194,428.83
Total	172,035,792.40	197,203,499.36	1,293,947,769.97	955,640,883.75	1,292,466,435.35	1,171,375,344.57	-112,565,036.86	-103,475,140.23	2,645,884,960.86	2,220,744,587.45
Time of transfer of goods										
At a certain point in time	172,035,792.40	197,203,499.36	1,013,629,582.26	706,929,756.64	1,292,466,435.35	1,171,375,344.57	-112,565,036.86	-103,475,140.23	2,365,566,773.15	1,972,033,460.34
Within a certain period of time			280,318,187.71	248,711,127.11					280,318,187.71	248,711,127.11
Total	172,035,792.40	197,203,499.36	1,293,947,769.97	955,640,883.75	1,292,466,435.35	1,171,375,344.57	-112,565,036.86	-103,475,140.23	2,645,884,960.86	2,220,744,587.45

10.4. Performance Obligations

The Company shall recognize revenue when it satisfies the performance obligation in the contract by transferring the control over relevant assets (goods or services) to the customers. A performance obligation satisfied over time or at a point of time is determined by the terms in the contract and the requirements of relevant laws and regulations. If the Company meets one of the following conditions, it is considered to have fulfilled its performance obligations within a certain period of time:

- (i) the customer simultaneously obtains and consumes the benefits provided by the Company's performance as the Company fulfills its obligations;
- (ii) the customer is able to control the assets under construction during the Company's performance process;
- (iii) the assets produced by the Company during the performance process have irreplaceable uses, and the Company has the right to receive payments for the cumulative performance completed to date throughout the entire contract period.

For performance obligations over a certain period of time, the revenue will be recognized over time by its progress towards complete satisfaction of that performance obligation. Otherwise, the Company shall recognize revenue at the point in time at which the customer obtains control of related goods or services. The progress of a performance obligation is determined based on the value of the goods that has been transferred to the customer.

10.5. Explanation of allocation to remaining performance obligations

The revenue based on signed contracts yet to be fulfilled or executed contracts that have not yet been satisfied at the end of the reporting period is 1,296,639,600 yuan (1,419,982,500 yuan in Year 2023), of which the revenue expected to be recognized in the year of 2025 is 696,731,600 yuan, and thereafter the Company is expected to recognize revenue in the amount of 318,208,000 yuan in year 2026, 246,140,000 yuan in 2027, and 35,560,000 yuan in 2028 respectively.

11. INVESTMENT INCOME

Item	Amount for the current period	Amount for the previous period
Income from long-term equity investments under equity method	83,013,136.15	42,723,633.71
Investment income on disposal of financial assets held for trading	6,198,151.05	9,701,778.89
Investment income from debt restructuring		322,743.00
Investment income from large-denomination certificates of deposit	6,940,845.49	8,506,515.05
Discount interest on accounts receivable financing		-5,469.73
Total	<u>96,152,132.69</u>	<u>61,249,200.92</u>

12. INCOME TAXES

12.1.Details of income taxes expenses

Item	Amount for the current period	Amount for the previous period
Current income tax expense calculated according to tax laws and relevant regulations	16,403,810.38	20,763,945.12
Deferred income tax	<u>407,028.08</u>	<u>-236,297.56</u>
Total	<u>16,810,838.46</u>	<u>20,527,647.56</u>

12.2.Reconciliation between income tax expenses and accounting profit:

Item	Amount
Profit before taxation	-124,621,998.16
Income tax expenses calculated at statutory/applicable tax rates	-31,155,499.54
Effect of different tax rates applied by subsidiaries	9,250,847.36
Effect of adjustment for income tax in prior year	-3,210,213.27
Tax effect of non-taxable income	-20,266,612.71
Tax effect of non-deductible costs, expenses and losses	2,172,744.34
Effect of additional deductions for research and development expenses (expenses for technology development) (represented by “-”)	-43,444,582.48
Tax effect of deductible temporary differences losses not recognized as deferred tax assets in prior year or unused tax losses not recognized	2,913,550.56
Effect of deductible temporary differences unrecognized deferred tax assets or deductible losses in current period	100,550,604.20
Income tax expenses	<u>16,810,838.46</u>

Different corporate income tax rates applied by subsidiaries are as follows:

Name of taxpayer	Income tax rate (%)
Nanjing Panda Electronics Manufacturing Co., Ltd.	15.00
Nanjing Panda Communication Technology Co., Ltd.	15.00
Nanjing Huage Electric and Plastic Industry Co., Ltd.	15.00
Nanjing Panda Information Industry Co., Ltd.	15.00
Nanjing Panda Electromechanical Instrument Technology Co., Ltd.	15.00
Shenzhen Jinghua Information Technology Co., Ltd.	15.00
Nanjing Panda Electronic Equipment Co., Ltd.	15.00
Shenzhen Jingyu Electronics Co., Ltd.	15.00
Chengdu Panda Electronic Technology Co., Ltd.	15.00
Shenzhen Jinghua Property Management Co., Ltd.	20.00
Shenzhen Jinghua Digital Technology Co., Ltd.	20.00
Shenzhen Jinghua Health Technology Co., Ltd.	20.00
Shenzhen Jingjia Property Management Co., Ltd.	20.00
HongKong JWD Trading Company Limited	16.50

According to the provisions of the Enterprise Income Tax Law of the People's Republic of China and the Implementation Regulations of the Enterprise Income Tax Law of the People's Republic of China, the Company and its domestic subsidiaries were subject to a 25% income tax rate.

According to Inland Revenue Ordinance of Hong Kong, HongKong JWD Trading Company Limited is charged corporate income tax of Hong Kong at a rate of 16.5%;

Pursuant to the relevant tax preferential policies for key advanced and high-tech enterprises supported by the State, the subsidiaries qualified as high-tech enterprises are entitled to preferential tax treatments, and pay corporate income tax at a reduced rate of 15%.

According to the relevant tax preferential policies of the country for small and micro profit enterprises, if the enterprise is recognized as a qualified small and micro profit enterprise, the taxable income is 50% of its income, and the enterprise income tax will be paid at a rate of 20%.

13. RETURN ON EQUITY AND EARNINGS PER SHARE

Profit in reporting period	Weighted average return on equity (%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	Current period	Previous period	Current period	Previous period	Current period	Previous period
Net profit attributable to the common shareholders	-5.89	-6.92	-0.2067	-0.2603	-0.2067	-0.2603
Net profit attributable to the common shareholders after deducting non-recurring gain or loss	-6.30	-7.48	-0.2213	-0.2812	-0.2213	-0.2812

14. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

14.1. Changes in significant accounting policies

In December 2024, the Ministry of Finance issued the “Notice on Issuing the Interpretation No. 18 of Enterprise Accounting Standards,” which clarified that for quality assurance deposits that do not constitute a separate performance obligation, the accounting treatment should be in accordance with the provisions of the “Enterprise Accounting Standard No. 13 – Contingencies”. When confirming the provision for estimated liabilities, the relevant amount should be included in the cost of operations and the estimated liabilities should be presented according to their liquidity as estimated liabilities, other current liabilities, or non-current liabilities due within one year.

14.2. Changes in significant accounting estimates

There are no changes in significant accounting estimates in the reporting period.

By Order of the Board
Nanjing Panda Electronics Company Limited
Xia Dechuan
Chairman

Nanjing, the People’s Republic of China
27 March 2025

As at the date of this announcement, the Board comprises Executive Directors: Mr. Xia Dechuan and Mr. Hu Huichun; Non-executive Directors: Mr. Liu Jianfeng, Mr. Hu Jin, Mr. Yi Guofu and Mr. Lv Song; and Independent Non-executive Directors: Mr. Dai Keqin, Ms. Xiong Yanren and Mr. Chu Wai Tsun, Baggio.