

*The Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**南京三寶科技股份有限公司**  
**NANJING SAMPLE TECHNOLOGY CO., LTD.\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 1708)**

**ANNUAL RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**FINANCIAL HIGHLIGHTS**

The total operating income of the Group for the year ended 31 December 2024 amounted to RMB439,871,713.59 as compared to that of RMB493,541,069.55 for the corresponding period last year, representing a decrease of approximately 10.87%.

The net loss attributable to shareholders of the parent company for the year ended 31 December 2024 amounted to RMB420,592,151.70, whereas the net profit attributable to shareholders of the parent company was RMB1,994,964.77 for the corresponding period of last year.

The basic loss per share for the year ended 31 December 2024 was approximately RMB0.531 (2023: basic earnings per share of approximately RMB0.003).

The Board did not propose the payment of a final dividend for the year ended 31 December 2024.

**ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Director(s)**”) of Nanjing Sample Technology Co., Limited (the “**Company**”) hereby announces the audited consolidated annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024 (the “**Review Period**”) together with the comparative figures for the year ended 31 December 2023 as follows:

(Unless otherwise stated, the financial information of the Company in this announcement was stated in Renminbi (“**RMB**”) yuan.)

**Consolidated balance sheet***At 31 December 2024*

<b>ASSETS</b>	<i>Note</i>	<b>2024</b>	<b>2023</b>
<b>Current assets:</b>			
Cash at bank and on hand		<b>272,556,248.94</b>	367,102,242.55
Held-for-trading financial assets		—	—
Derivative financial assets		—	—
Bills receivable	3	<b>11,505,246.01</b>	8,461,306.31
Accounts receivable	3	<b>187,805,300.27</b>	256,706,725.95
Receivables financing	3	—	—
Prepayments	3	<b>15,256,505.82</b>	23,317,070.38
Other receivables	3	<b>733,720,454.41</b>	862,555,910.98
Including: Interest receivable		—	—
Dividend receivable		—	—
Inventories		<b>5,607,358.59</b>	50,343,051.37
Contract assets		<b>341,900,044.90</b>	509,152,962.69
Held-for-sale assets		—	—
Non-current assets due within one year		—	—
Other current assets		<b>55,775,260.21</b>	63,188,346.10
<b>Total current assets</b>		<b><u>1,624,126,419.15</u></b>	<b><u>2,140,827,616.33</u></b>

<b>ASSETS (CONTINUED)</b>	<i>Note</i>	<b>2024</b>	<b>2023</b>
<b>Non-current assets:</b>			
Debt investments		—	—
Other debt investments		—	—
Long-term receivables		—	—
Long-term equity investments		<b>10,154,577.39</b>	10,121,697.55
Other equity instruments investment		<b>42,712,749.75</b>	47,702,656.62
Other non-current financial assets		<b>102,818,638.40</b>	110,105,741.25
Investment property		<b>422,191,100.00</b>	432,018,591.53
Fixed assets		<b>52,793,095.73</b>	50,520,450.88
Construction in progress		—	—
Productive biological assets		—	—
Oil and gas assets		—	—
Right-of-use assets		—	—
Intangible assets		<b>4,949,358.26</b>	4,519,828.31
Development expenditures		—	—
Goodwill		—	—
Long-term deferred expenses		<b>98,371.15</b>	—
Deferred income tax assets		<b>125,448,113.68</b>	78,636,072.28
Other non-current assets		<b>1,000,000.00</b>	—
<b>Total non-current assets</b>		<b><u>726,166,004.38</u></b>	<b><u>733,625,038.42</u></b>
<b>TOTAL ASSETS</b>		<b><u>2,386,292,423.53</u></b>	<b><u>2,874,452,654.75</u></b>

**LIABILITIES & SHAREHOLDERS' EQUITY***Note***2024****2023****Current liabilities:**

Short-term borrowings		<b>507,770,267.01</b>	601,489,799.67
Held-for-trading financial liabilities		—	—
Derivative financial liabilities		—	—
Bills payable	4	—	100,000.00
Accounts payable	4	<b>379,523,727.48</b>	400,356,578.17
Advances from customers	4	—	—
Contract liabilities	4	<b>97,114,746.88</b>	43,275,025.51
Employees benefits payable		<b>13,808,023.59</b>	14,528,169.74
Taxes payable		<b>2,536,498.38</b>	4,121,296.98
Other payables	4	<b>50,838,355.76</b>	52,968,356.17
Including: Interest payable		—	—
Dividend payable		—	—
Held-for-sale liabilities		—	—
Non-current liabilities due within 1 year		<b>7,505,441.88</b>	6,000,000.00
Other current liabilities		<b>2,718,599.84</b>	3,588,963.78
<b>Total current liabilities</b>		<b><u>1,061,815,660.82</u></b>	<b><u>1,126,428,190.02</u></b>

LIABILITIES & SHAREHOLDERS' EQUITY (CONTINUED)	Note	2024	2023
<b>Non-current liabilities:</b>			
Long-term borrowings		70,850,000.00	78,250,000.00
Bonds payables		—	—
Including: Preferred shares		—	—
Perpetual bond		—	—
Lease liabilities		—	—
Long-term payables		—	—
Long-term employee benefits payable		—	—
Estimated liabilities		—	—
Deferred income		1,021,907.98	126,451.87
Deferred income tax liabilities		34,000,185.55	36,482,759.62
Other non-current liabilities		—	—
		<u>                    </u>	<u>                    </u>
<b>Total non-current liabilities</b>		<b><u>105,872,093.53</u></b>	<b><u>114,859,211.49</u></b>
 <b>TOTAL LIABILITIES</b>		 <b><u>1,167,687,754.34</u></b>	 <b><u>1,241,287,401.51</u></b>
 <b>Shareholders' equity:</b>			
Share capital		792,058,500.00	792,058,500.00
Other equity instruments		—	—
Including: Preferred shares		—	—
Perpetual bond		—	—
Capital reserves		80,999,419.73	80,999,419.73
Less: Treasury stocks		—	—
Other comprehensive income		109,584,952.77	103,396,141.60
Special reserves		—	—
Surplus reserves		108,136,584.74	108,136,584.74
Undistributed profits	5	<u>119,155,929.90</u>	<u>539,748,081.60</u>
 Total equity attributable			
to shareholders of the parent company		1,209,935,387.14	1,624,338,727.67
Minority interest		<u>8,669,282.04</u>	<u>8,826,525.57</u>
 <b>Total shareholders' equity</b>		 <b><u>1,218,604,669.18</u></b>	 <b><u>1,633,165,253.24</u></b>
 <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		 <b><u>2,386,292,423.52</u></b>	 <b><u>2,874,452,654.75</u></b>

## Consolidated income statement

For the year ended 31 December 2024

	Note	2024	2023
<b>I. Operating income</b>	6	<b>439,871,713.59</b>	493,541,069.55
Less: Operating costs	6	<b>375,625,654.92</b>	406,102,733.27
Tax and surcharges		<b>3,826,249.15</b>	4,421,795.59
Selling expenses		<b>37,439,448.90</b>	37,769,640.78
Administrative expenses		<b>29,841,757.25</b>	37,130,078.64
Research and development expenses		<b>19,155,472.26</b>	23,171,313.59
Financial expenses	9	<b>26,899,765.69</b>	32,743,730.27
Including: Interest expense		<b>27,069,007.64</b>	34,053,010.53
Interest income		<b>-693,054.57</b>	-1,249,797.61
Add: Other income		<b>507,412.98</b>	8,962,808.58
Investment income (loss is represented by "-")		<b>1,296,627.18</b>	-15,295,752.78
Including: Investment income from associates and joint ventures		<b>32,879.84</b>	-10,759.45
Gains arising from derecognition of financial assets at amortised cost		—	—
Net income from hedging exposure (loss is represented by "-")		—	—
Gains arising from changes in fair value (loss is represented by "-")		<b>-7,237,889.85</b>	51,302,228.34
Credit impairment loss (loss is represented by "-")		<b>-136,875,673.87</b>	17,032,018.02
Asset impairment loss (loss is represented by "-")		<b>-214,720,181.52</b>	-4,836,821.22
Gains on disposal of assets (loss is represented by "-")		—	—

	<i>Note</i>	<b>2024</b>	<b>2023</b>
<b>II. Operating profit (loss is represented by “-”)</b>		<b>-409,946,339.66</b>	9,366,258.35
Add: Non-operating income		<b>16,763.84</b>	1,398,551.19
Less: Non-operating expenses		<b><u>55,067,766.99</u></b>	<u>9,023,995.14</u>
<b>III. Total profit (total loss is represented by “-”)</b>		<b>-464,997,342.81</b>	1,740,814.40
Less: Income tax expense	<i>10</i>	<b><u>-44,247,947.58</u></b>	<u>18,211.34</u>
<b>IV. Net profit (net loss is represented by “-”)</b>		<b>-420,749,395.23</b>	1,722,603.06
(I) Classified by business continuity			
1. Net profit from continuing operations (net loss is represented by “-”)		<b>-420,749,395.23</b>	1,722,603.06
2. Net profit from discontinued operations (net loss is represented by “-”)		—	—
(II) Classified by the attribution of the ownership			
1. Net Profit attributable to shareholders of the parent company (net loss is represented by “-”)		<b>-420,592,151.70</b>	1,994,964.77
2. Profit or loss attributable to minority shareholders (net loss is represented by “-”)		<b><u>-157,243.53</u></b>	<u>-272,361.71</u>
<b>V. Net other comprehensive income after tax</b>		<b>6,188,811.17</b>	73,398,429.72
(I) Net other comprehensive income after tax attributable to shareholders of the parent company		<b>6,188,811.17</b>	73,398,429.72
1. Other comprehensive income which cannot be reclassified subsequently to profit and loss		<b>5,331,598.96</b>	929,198.59
(1) Changes as a result of re-measurement of defined benefit plan		—	—
(2) Other comprehensive income that cannot be reclassified to profit and loss under equity method		—	—
(3) Changes in fair value of other equity instruments investment		<b>5,331,598.96</b>	929,198.59
(4) Changes in fair value of the enterprise’s own credit risk		—	—

	<i>Note</i>	<b>2024</b>	<b>2023</b>
2. Other comprehensive income which can be reclassified to profit and loss		<b>857,212.21</b>	72,469,231.13
(1) Other comprehensive income that can be reclassified to profit and loss under equity method		—	—
(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 investments		—	—
(5) Cash flow hedging reserve		—	—
(6) Translation difference of financial statements in foreign currencies		<b>857,212.21</b>	180,179.84
(7) Others		—	72,289,051.29
(II) Net other comprehensive income after tax attributable to minority shareholders		—	—
<b>VI. Total comprehensive income</b>		<b>-414,560,584.06</b>	75,121,032.78
(I) Total comprehensive income attributable to shareholders of the parent company		<b>-414,403,340.53</b>	75,393,394.49
(II) Total comprehensive income attributable to minority shareholders		<b>-157,243.53</b>	-272,361.71
<b>VII. Earnings/loss per share:</b>			
(I) Basic earnings/loss per share (Yuan/share)	<i>11</i>	<b>-0.531</b>	0.003
(II) Diluted earnings/loss per share (Yuan/share)		<b>-0.531</b>	0.003



## NOTES

### 1. BASIC INFORMATION OF THE COMPANY

南京三寶科技股份有限公司 (Nanjing Sample Technology Company Limited\*) (the “**Company**” or “**the Company**”) was established in Nanjing City, Jiangsu Province, the People’s Republic of China and was approved to be reorganized into a joint stock limited company on 28 December 2000. The shares of the Company were listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 9 June 2004. On 22 November 2010, the Company’s H shares were successfully migrated from the GEM to the Main Board of the Stock Exchange.

The unified social credit code of the Company is 91320100726074332B and the legal representative of the Company is Sha Min.

After years of issuing bonus share, placing new shares, share capitalization and issuing new shares, as of 31 December 2024, the Company had issued an aggregate of 792,058,500 shares, with a registered capital of RMB792,058,500. The address of the registered office of the Company: No. 10 Maqun Avenue, Qixia District, Nanjing City. The address of the headquarters of the Company: No. 10 Maqun Avenue, Qixia District, Nanjing City.

The parent company of the Company is Nanjing Sample Technology Group Company Limited\* (南京三寶科技集團有限公司), and the ultimate controller of the Company is the State-owned Assets Supervision & Administration Commission of the People’s Government of Qingdao established in the PRC.

The Company is engaged in the information technology application (IT application) service industry. The primary business activity actually engaged in is to provide system integration services for customers.

These financial statements were approved by the Board of the Company on 31 March 2025.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### Basis of Preparation

The Company’s financial statements have been prepared on a going concern basis, recognised and measured based on the actual transactions and matters incurred, and in accordance with the “Accounting Standards for Business Enterprises – Basic Standards” issued by the Ministry of Finance, as well as specific accounting standards and related regulations (collectively the “**Accounting Standards for Business Enterprises**”). The preparation was also based on established significant accounting policies and accounting estimates.

#### Going Concern

The Company has the ability to continue as a going concern for at least 12 months from the end of this reporting period, and there are no significant events that would impact its ability to continue as a going concern.

## Changes in Significant Accounting Policies and Accounting Estimates

### (I) Changes in Significant Accounting Policies

On 25 October 2023, the Ministry of Finance issued the Interpretation of Accounting Standards for Business Enterprises No. 17 (Cai Kuai [2023] No. 21 (“**Interpretation No. 17**”)), which came into effect from 1 January 2024. The Company has implemented the provisions of Interpretation No. 17 starting from 1 January 2024, and its implementation did not have a significant impact on the Company’s financial statements during the reporting period.

On 6 December 2024, the Ministry of Finance issued the Notice on Publication of Interpretation of Accounting Standards for Business Enterprises No. 18 (Cai Kuai [2024] No. 24), which clarifies that quality assurance in the form of guarantee deposits that do not constitute individual performance obligations should be accounted for in accordance with Accounting Standards for Business Enterprises No. 13 – Contingencies. The relevant amounts should be recognized as provisions and included in operating costs, while recognizing the estimated liability and present the estimated liability on the basis of liquidity. The implementation of this regulation did not have a significant impact on the Company’s financial statements during the reporting period.

### (II) Change in Significant Accounting Estimates

There was no change in significant accounting estimates during the reporting period.

## 3. TRADE AND OTHER RECEIVABLES

	2024	2023
Accounts receivable	<b>465,052,527.31</b>	547,862,462.66
Less: Provision for bad debts	<b>277,247,227.04</b>	291,155,736.71
Receivables financing	—	—
Bills receivable	<b>11,984,631.26</b>	8,813,860.74
Less: Provision for bad debts	<b>479,385.25</b>	352,554.43
Prepayments	<b>15,256,505.82</b>	23,317,070.38
Other receivables	<b>1,010,959,340.39</b>	995,941,217.62
Less: Provision for bad debts	<b>277,238,885.98</b>	133,385,306.64
Interest receivable	—	—
Total	<b><u>948,287,506.51</u></b>	<b><u>1,151,041,013.62</u></b>

The accounts receivable disclosed according to the aging of the entry date	2024	2023
Within 1 year (including one year)	<b>101,626,140.40</b>	140,875,242.40
1 to 2 years	<b>57,808,869.40</b>	79,294,379.45
2 to 3 years	<b>32,736,414.02</b>	31,490,369.70
Over 3 years	<b>272,881,103.49</b>	296,202,471.11
Total	<b><u>465,052,527.31</u></b>	<b><u>547,862,462.66</u></b>

#### 4. TRADE AND OTHER PAYABLES

	2024	2023
Accounts payable	379,523,727.48	400,356,578.17
Bills payable	—	100,000.00
Advances from customers	—	—
Other payables	50,838,355.76	52,968,356.17
Contract liabilities	97,114,746.88	43,275,025.51
	<u>                    </u>	<u>                    </u>
Total	<u>527,476,830.11</u>	<u>496,699,959.85</u>

The accounts payable disclosed according to the aging of the entry date	2024	2023
Within 1 year	196,049,831.62	223,367,408.42
1 to 2 years	44,287,882.43	64,047,657.07
2-3 years	40,389,358.59	43,331,516.27
Over 3 years	98,796,654.84	69,609,996.41
	<u>                    </u>	<u>                    </u>
Total	<u>379,523,727.48</u>	<u>400,356,578.17</u>

#### 5. UNDISTRIBUTED PROFITS

	2024	2023
Undistributed profits at the end of the previous period before adjustment	539,748,081.60	536,999,877.42
Undistributed profits at the beginning of the period after adjustment	539,748,081.60	536,999,877.42
Add: Net profit attributable to shareholders of the parent company for the period	-420,592,151.70	1,994,964.77
Less: Appropriation of statutory surplus reserve	—	4,008,560.59
Transfer of other comprehensive income	—	-4,761,800.00
	<u>                    </u>	<u>                    </u>
Undistributed profits at the end of the period	<u>119,155,929.90</u>	<u>539,748,081.60</u>

## 6. OPERATING INCOME AND OPERATING COST

Operating income represents principal operating income and other operating income, of which principal operating income includes income received and receivable from system integration, intelligent terminal sales and service businesses.

### (1) Operating Income and Operating Cost

	2024	2023
Principal operating income	<b>409,439,659.83</b>	456,611,297.51
Other operating income	<b>30,432,053.76</b>	36,929,772.04
Total operating income	<b><u>439,871,713.59</u></b>	<u>493,541,069.55</u>
Principal operating cost	<b>361,462,991.65</b>	390,805,849.30
Other operating cost	<b>14,162,663.27</b>	15,296,883.97
Total operating cost	<b><u>375,625,654.92</u></b>	<u>406,102,733.27</u>

### (2) Principal Operations (By Product)

Name of Products	2024		2023	
	Operating income	Operating cost	Operating income	Operating cost
System integration	<b>372,093,830.04</b>	<b>330,349,274.17</b>	394,450,069.68	322,672,309.12
Intelligent terminal sales	<b>18,968,604.62</b>	<b>15,864,836.62</b>	13,516,283.21	10,541,833.21
Service	<b>18,377,225.17</b>	<b>15,248,880.86</b>	48,644,944.62	57,591,706.97
Total	<b><u>409,439,659.83</u></b>	<b><u>361,462,991.65</u></b>	<u>456,611,297.51</u>	<u>390,805,849.30</u>

## 7. SEGMENT INFORMATION

Information regarding the Group's reportable operating segments as provided to the Group's chief operating decision makers for the purposes of resources allocation and assessment of segment performance for the year is only derived from system integration, intelligent terminal sales and service businesses. In addition, the Group's operations are situated in the PRC in which its income was derived principally therefrom. Accordingly, no segments information is presented.

## 8. GROSS PROFIT

	2024	2023
Operating income	439,871,713.59	493,541,069.55
Operating cost	375,625,654.92	406,102,733.27
Gross profit	64,246,058.67	87,438,336.28

## 9. FINANCIAL EXPENSES

	2024	2023
Interest expenses	27,069,007.64	34,053,010.53
Less: Interest income	693,054.57	1,249,797.61
Exchange gain and loss	233.57	307.49
Handling fees payable	523,579.05	—
Other expenses	—	-59,790.14
Total	26,899,765.69	32,743,730.27

## 10. INCOME TAX EXPENSE

	2024	2023
Current income tax expense	5,987,538.31	-542,794.02
Deferred income tax expense	-50,235,485.89	561,005.36
Total	-44,247,947.58	18,211.34

Reconciliation between accounting profit and income tax expense is as follows

	2024	2023
Total profit	-464,997,342.81	1,740,814.40
Income tax expense calculated at applicable tax rates	-69,749,601.42	261,122.16
Impact of different tax rates applicable to subsidiaries	-39,262,941.14	-16,411,923.77
Income tax adjustments for prior periods	5,980,741.57	-542,794.02
Cost, expenses and losses not deductible for tax purposes	—	312,990.75
Impact of tax law provisions on additional deductible expenses	—	-3,513,314.72
Utilization of deductible loss of the deferred income tax assets unrecognized in the previous period	—	-5,516.93
Impact of deductible temporary differences or deductible loss for which deferred income tax assets not recognized in the current period	58,783,853.41	19,947,787.60
Income tax expense	-44,247,947.58	18,211.34

## 11. BASIC EARNINGS/LOSS PER SHARE

Basic earnings/loss per share is calculated by consolidated net profit/loss for the current year attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares issued by the Company:

	2024	2023
Consolidated net profit/loss attributable to ordinary shareholders of the parent company	-420,592,151.70	1,994,964.77
Weighted average number of ordinary shares issued by the Company	792,058,500.00	792,058,500.00
Basic earnings/loss per share (Yuan/share)	<u>-0.531</u>	<u>0.003</u>

The amount of basic earnings per share is the same as the diluted earnings per share as there was no dilution during the years ended 31 December 2024 and 2023.

## 12. DIVIDEND

The Company neither distributed nor proposed to distribute dividend during the year 2024. The Board did not recommend the payment of a final dividend for the year ended 31 December 2024 on 31 March 2025 (2023: nil).

## 13. NET CURRENT ASSETS

	2024	2023
Current assets	1,624,126,419.15	2,140,827,616.33
Less: Current liabilities	<u>1,061,815,660.82</u>	<u>1,126,428,190.02</u>
Net current assets	<u>562,310,758.33</u>	<u>1,014,399,426.31</u>

## 14. TOTAL ASSETS LESS CURRENT LIABILITIES

	2024	2023
Total assets	2,386,292,423.53	2,874,452,654.75
Less: Current liabilities	<u>1,061,815,660.82</u>	<u>1,126,428,190.02</u>
Total assets less current liabilities	<u>1,324,476,762.71</u>	<u>1,748,024,464.73</u>

## 15. CONTINGENT LIABILITIES

As at 31 December 2024, the Group did not have any material contingent liabilities.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### ***Total Operating Income***

Total operating income of the Group for the year ended 31 December 2024 amounted to RMB439,871,713.59, representing a decrease of approximately 10.87% over last year, primarily due to the contraction of market demand, intensified industry competition, and the bids of certain projects being won at low price, which resulted in an overall decline in income. Principal operating income amounted to RMB409,439,659.83 as compared to that of RMB456,611,297.51 for the corresponding period last year, representing a decrease of approximately 10.33%. Of which income from the system integration business was RMB372,093,830.04, representing a decrease of approximately 5.67% as compared to the same period last year; income from the intelligent terminal sales business was RMB18,968,604.62, recording an increase of approximately 40.34% as compared to the same period last year; income from the services business was RMB18,377,225.17, representing a decrease of approximately 62.22% as compared to the same period last year.

#### ***Gross Profit Margin***

Gross profit margin of the Group for the year ended 31 December 2024 was approximately 14.61% as compared to the gross profit margin for the same period last year of approximately 17.72%, representing a decrease of approximately 3.11% over last year. The decline in gross profit margin was mainly due to shrinking market demand, intensified industry competition, low bidding prices for certain projects and rising procurement costs, leading to an overall reduction in gross profit margin.

#### ***Selling Expenses***

Selling expenses of the Group for the year ended 31 December 2024 was RMB37,439,448.90, representing a decrease of approximately 0.87% over last year. The decrease was mainly attributable to the rigorous implementation of its expenses budget management mechanism, where no approval granted for over-budget expenses.

#### ***Administrative Expenses***

Administrative expenses of the Group for the year ended 31 December 2024 was RMB29,841,757.25, representing a decrease of approximately 19.63% over last year. This was primarily attributed to certain property previously used by the Company being leased out from July 2023, with the corresponding fixed assets reclassified as investment property, thereby reducing the provision for depreciation during the reporting period. In addition, the depreciation of certain equipment was fully recognized by the end of 2023, and no further depreciation was required during the Review Period.

## ***Research and Development Expenses***

The research and development expenses of the Group for the year ended 31 December 2024 amounted to RMB19,155,472.26, representing a decrease of approximately 17.33% as compared to the previous year. The decrease was mainly attributable to the strategic adjustments corresponding to market changes, cost control and optimization of resource allocation.

## ***Financial Expenses***

The finance expenses of the Group for the year ended 31 December 2024 amounted to RMB26,899,765.69, representing a decrease of approximately 17.85% as compared to the previous year. The decrease was mainly due to the repayment of part of the loans using internal funds, resulting in a reduction in interest expenses.

## ***Net Profit/Net Loss Attributable to Shareholders of the Parent Company***

For the year ended 31 December 2024, the Group recorded a net loss attributable to shareholders of the parent company of RMB420,592,151.70 as compared to the net profit attributable to shareholders of the parent company of RMB1,994,964.77 for the corresponding period of last year. The reasons for the loss were mainly due to (1) the payment and settlement of engineering projects were below expectations, which led to a significant increase in the proportion of provisions for credit impairment and contract asset impairment, resulting in a substantial increase in provisions compared to the same period last year; (2) market demand contraction and intensified industry competition have resulted in some projects being won with strategically low bids, thereby compressing profit margin. In addition to the rising procurement costs, causing a decline in the Group's overall income and gross profit margin; (3) the Group incurred a loss of approximately RMB150 million as a result of the execution of the litigation case involving the Group's wholly owned subsidiary, Jiangsu Intellitrans Company Ltd.\* (江蘇智運科技發展有限公司), (**"Jiangsu Intellitrans"**), which the Company bore joint liability for debt repayment (the **"Litigation"**). As disclosed in the Company's announcement dated 29 August 2024 in relation to the unaudited interim results for the six months ended 30 June 2024, and in the announcement dated 6 November 2024, the Litigation was caused by a former vice president of the Company who was suspected of forging the company seal and misappropriating funds, causing Jiangsu Intellitrans to sign a loan agreement with Jiangsu Tongyong Luqiao Engineering Co., Ltd.\* (江蘇通用路橋工程有限公司) (**"Tongyong Company"**) and stipulating that the Company would provide joint liability guarantee. In May 2024, the Liyang People's Court in Jiangsu province issued a civil judgement No. (2024) Su 0481 Minchu 750 ((2024) 蘇0481民初750號民事判決書) (the **"Civil Judgement"**), ordering Jiangsu Intellitrans to repay Tongyong Company the principal loan amount, interest and penalty, the Company is jointly liable for the above debt of Jiangsu Intellitrans. The Civil Judgement was enforced in November 2024..



### ***Credit Impairment Loss***

For the year ended 31 December 2024, the Group's credit impairment loss amounted to RMB136,875,673.87, representing an increase of RMB153,907,691.89 compared to the same period last year, which was primarily due to the enforcement action resulting from the Group's defeat in a related lawsuit.

### ***Asset Impairment Loss***

For the year ended 31 December 2024, the Group's asset impairment loss amounted to RMB214,720,181.52, representing an increase of RMB209,883,360.30 compared to the same period last year which was primarily influenced by industry and market conditions, the creditworthiness of some customers has deteriorated, which may result in an inability to settle as agreed in contracts, leading to an increase in impairment losses on contract assets.

### ***Pledge of Assets***

As at 31 December 2024, the Group had the following assets pledged: (i) the total book value of the Group's assets of RMB460,385,024.80 (including: investment property of RMB422,191,100.00, fixed assets of RMB35,331,266.24, intangible assets of RMB2,862,658.56) were pledged to banks to secure outstanding bank loans of RMB125,020,000.00; (ii) the Group has guaranteed bank deposits of RMB24,045,392.67 (as at 31 December 2023: RMB26,113,063.86) with most of them were used to support the Group's projects bidding/projects in progress and banking facilities.

### ***Gearing Ratio***

As at 31 December 2024, the Group's gearing ratio (being sum of short-term loan, long-term loan and non-current liabilities due within 1 year less cash and cash equivalents divided by equity) was approximately 0.28 (2023: 0.21).

### ***Debt Ratio***

As at 31 December 2024, the Group's debt ratio (being total assets divided by total liabilities) was 48.93%, representing an increase of approximately 5.75% as compared to the debt ratio of 43.18% as at 31 December 2023. Currently, the Group's debt ratio is at a relatively reasonable level, with financial risks remaining within a controllable range.

## ***Financial Resources***

The operations of the Group are mainly financed through internally generated cash flow and bank loans. As at 31 December 2024, the Group's bank and other short-term borrowings (including those due within one year) amounted to RMB507,770,267.01, representing a decrease of approximately 15.58% from RMB601,489,799.67 as at 31 December 2023. The annual interest rates on borrowings ranged between 3.75% and 4.80%. The reduction was mainly due to the repayment of part of the loans using internal funds, with no new financing arrangements made. Long-term borrowings and non-current liabilities due within one year totaled RMB78,250,000.00, with an interest rates ranging from 3.96% to 4.06%.

## ***Liquidity***

The Group strengthened its accountability for receivables collection and routine financial reconciliation, as at 31 December 2024, accounts receivable and bills receivable were RMB187,805,300.27 and RMB11,505,246.01, respectively, representing a decrease of approximately 26.84% and an increase of approximately 35.97% as compared to RMB256,706,725.95 and RMB8,461,306.31 as at 31 December 2023.

As at 31 December 2024, current assets amounted to RMB1,624,126,419.15 as compared to RMB2,140,827,616.33 as at 31 December 2023; current liabilities were RMB1,061,815,660.82 as compared to RMB1,126,428,190.02 as at 31 December 2023. The current ratio declined from 1.90 as at 31 December 2023 to 1.53. During the Review Period, the Group's overall liquidity remained at a healthy level, however, there is still room for improvement in its debt repayment ability, liquidity, and management capabilities.

## **Foreign Currency Exposure**

Since the Group mainly conducts its business in the PRC and most of the sales and purchases of the Group were denominated in RMB, the Group's operating results are not exposed to any foreign currency risk.

## **Summary of Key Financial Ratios**

The following table sets forth the key financial ratios of the Group as of 31 December:

	2024 <sup>(7)</sup>	2023 <sup>(8)</sup>
Net profit ratio <sup>(1)</sup>	<b>-102.76%</b>	0.38%
Return on net assets ratio <sup>(2)</sup>	<b>-34.53%</b>	0.11%
Return on equity ratio <sup>(3)</sup>	<b>-34.53%</b>	0.11%
Debt ratio <sup>(4)</sup>	<b>48.93%</b>	43.18%
Current ratio <sup>(5)</sup>	<b>1.53</b>	1.90
Quick ratio <sup>(6)</sup>	<b>1.20</b>	1.90

*Note:*

- (1) Net profit ratio refers to net profit divided by principle operating income
- (2) Return on net assets ratio refers to the net profit divided by net assets
- (3) Return on equity ratio refers to the net profit divided by shareholders' equity
- (4) Debt ratio refers to the total liabilities divided by total assets
- (5) Current ratio refers to total current assets divided by total current liabilities
- (6) Quick ratio refers to current assets less inventory and contract assets divided by current liabilities
- (7) The 2024 financial ratio data is derived from the data of the audited consolidated financial statements as of 31 December 2024
- (8) The 2023 financial ratio data is derived from the data of the audited consolidated financial statements as of 31 December 2023

### **Significant Investments Held**

As of 31 December 2024, there were no other investments held with a value of 5% or more of the Group's total assets.

### **Substantial Acquisition And Disposal**

During the Review Period, the Group did not have any substantial acquisition and disposal.

### **Capital Commitment**

As at 31 December 2024, the Group did not have any material capital commitment.

### **Contingent Liabilities**

As at 31 December 2024, the Group did not have any material contingent liabilities.

### **Employees And Remuneration Policies**

As at 31 December 2024, total employees' remuneration of the Group was RMB45,744,190.43 (2023: RMB48,429,827.93) and the total number of employees was 195 (2023: 215). The Group remunerated its staffs based on individual performance, educational background and experience and with reference to market price. The Group would grant discretionary bonus to the staffs based on individual performance as recognition of their contribution. Other benefits included contributions to the retirement scheme, medical scheme, unemployment insurance and housing allowances.

## BUSINESS REVIEW

The year 2024 marked the 75th anniversary of the founding of New China and was a pivotal year for achieving the goals and tasks of the 14th Five-Year Plan. During the year, the global economy underwent cyclical adjustments, protectionist trends intensified, and geopolitical risks remained high. The nation overcame various difficulties and challenges posed by the complex internal and external environment, achieved the key expected goals and tasks, and promoted effective qualitative improvement and reasonable quantitative growth of the economy. This was the result of the joint efforts of the entire nation under the leadership of the Party Central Committee with Comrade Xi Jinping at its core. It reflected the solid economic foundation, numerous advantages, strong resilience, and great potential, laying a solid foundation for the high-quality completion of the goals and tasks of the 14th Five-Year Plan.

### *Business Development*

In terms of business development for the Group, 2024 was also an extremely difficult year. Faced with numerous adverse impacts, the Group confronted the difficulties head-on, maintained firm confidence, and took actions as a priority. It continuously and actively adjusted its business structure and integrated internal resources, converting favorable factors from all aspects into actual performance. While maintaining a good market share in niche markets and professional solution businesses, the Company continuously increased research and development efforts, actively explored the intelligent application market of the Internet of Things (IoT), and maintained stable business operations.

In the field of intelligent transportation business, the Group has been deeply involved in the development and application of highway toll systems, command and dispatch systems, tunnel control systems, and guidance systems for many years, and has completed the national layout of the highway electromechanical engineering business. During the Review Period, the Group effectively progressed the settlement and acceptance of major projects such as the electromechanical engineering project for Lianyungang Airport Interchange Toll Station of Changshen Expressway, the guidance system of safety driving in foggy weather for the Wufengshan River Crossing Channel North-South Highway Connection Project, and the electromechanical engineering project for Jianhu to Xinghua Section of Funing to Liyang Expressway.

In addition, new contracts were signed for projects such as the JD03 section of highway project for the Ruicang Expressway (Longliwen to Yongtaiwen Second Line Connecting Line), the construction project of the Yangkou Port to Nantong Expressway, the reconstruction and expansion project for the Zhenjiang Daijiamen to Gaozi Section of the 312 National Highway 346 National Highway, the monitoring engineering construction for G312-JRJK Section of Zhenjiang Jurong Section Reconstruction and Expansion Project of the 312 National Highway, etc. During the Review Period, the Company won the bid for the electromechanical engineering project of LXJK1 section for the Daliangshan Tunnel of Mabian to Zhaojue Section Control Project of Leshan to Xichang Expressway (Lexi Expressway), which is another important project demonstrating the strong capabilities and profound technical background in the intelligent transportation field. It is a strong testament to past efforts and an energetic driving force for future development.

In the field of smart logistics business, the Group has been committed to providing intelligent solutions such as informatization planning, software products, hardware products, information system integration, and operation and maintenance services for customers in the logistics fields such as customs, special customs supervision areas (including bonded areas, cross-border comprehensive pilot zones, etc.), ports, airports, etc., aiming to improve supervision efficiency, reduce supervision costs, and improve customs clearance convenience, thereby promoting trade circulation. During the Review Period, the Group completed the acceptance of projects such as the informatization system project for Shijiazhuang International Land Port Bonded Logistics Center (Type B), the intelligent gate and CT project for Xinyu Ganxi Logistics Park, the Qidong communication control information system integration project of Zhongdian Hongxin, and the intelligent gate and auxiliary system project for High-tech Zone of Nanchang Comprehensive Bonded Zone.

At the same time, new contracts were signed for projects such as the informatization project of Jiangxi Shangrao Comprehensive Bonded Zone, the supporting facilities project for the Imported Fruit Designated Supervision Site of Multipurpose Terminal of West Port Area of Jiujiang Port, the smart information security intelligent system engineering project for the Customs Supervision Area of Linqing City Bonded Logistics Center, the intelligent gate and CT project of Xinyu Ganxi Logistics Park, and the informatization system integration project of Yuncheng Bonded Logistics Center and Supporting Facilities Construction Project (Phase I), etc. The Company is committed to investment in product technology innovation and, during the Review Period, deeply collaborated with Nanjing Customs District to create a “smart logistics digital supervision platform” model project using artificial intelligence (AI) and 5G technology. This promotes market expansion through research and development innovation of application scenario and was rated as one of the “Top Ten Cases of Jiangsu Network Powerful Province in 2024”.

### ***Research and Development***

Leveraging the establishment of “Jiangsu Province Smart Highway Engineering Technology Research Center” and “Nanjing Cross-Border Logistics Informatization Engineering Technology Research Center” by the Group, significant technological achievements have been made in the fields of intelligent transportation and smart logistics, effectively solidifying the Company’s market advantage in related fields. During the Review Period, the Group cooperated with universities such as Beijing Jiaotong University, Southeast University, and Jilin University in industry-university-research collaboration, held project kick-off meetings and annual work meetings organized by the Ministry of Science and Technology as scheduled, and continued to promote the research work of the key specialized topic of “Major Accident Risk Prevention and Emergency Avoidance Technology for Road Transport Vehicles” under “Major Natural Disaster Prevention and Control and Public Safety” of 2023 National Key R&D Program. Through constructing a comprehensive multi-level risk prevention and control methodology system for vehicle accidents of major road transport, the project aims to elucidate the evolution and mechanisms of accident risks, enhance real-time risk perception during transit and proactively prevent accidents in the transport process, overcoming challenges such as unclear formation mechanisms, inaccurate dynamic identification, and lack of quantitative characterization of transport vehicle accident risks, providing possibilities for road transport risk identification, thus achieving proactive prevention and control goals, and significantly improving the safety emergency management level of the road transport system. The Company organized collective learning activities on topics such as “low-altitude economy,” “smart highways,” and “AI technology and industry,” to enhance the R&D personnel’s understanding of new technologies and industries.

During the Review Period, the Group, in collaboration with Southeast University, undertook the 2021 Jiangsu Province Intellectual Property Strategy Promotion Plan – High-Value Patent Cultivation Plan Project (Upgrade Project), jointly constructing the provincial “High-Value Patent Cultivation Demonstration Center,” which passed the acceptance by the Intellectual Property Office of Jiangsu Province. The Group continued to strengthen the application and protection of intellectual property, newly applying for 3 invention patents, with 1 approved; applying for 6 software copyrights, with 3 approved; and applying for and getting approval for 31 software products.

## **BUSINESS OUTLOOK**

### ***Future Business Development Plan***

Looking ahead to 2025, the global economy is expected to maintain a weak recovery trend, with uncertainties and complexities in growth persisting. The current economic operation of our country still faces many difficulties and challenges, but our economic foundation is stable with many advantages, strong resilience, and substantial potential. The long-term support conditions and basic trends for positive growth remain unchanged. The Group will continue to adapt to local conditions, strengthen its core competitiveness, and focus on the two core industries of intelligent transportation and smart logistics. We will adhere to a customer-centric approach, oriented by customer and market demands, and improve the efficiency of the transportation and customs logistics industries through comprehensive solution planning and design, utilizing the latest industry technology products to achieve the goal of cost reduction and efficiency enhancement in operation management.

In the field of intelligent transportation, the Group will adjust marketing strategies, optimize market networks, expand business, and recruit professional talents to boost the order securing rates, thereby consolidating advantageous markets and breaking through disadvantaged markets. The Company will continuously strengthen refined management, strictly implementing precision, accuracy and detail throughout all project lifecycles, emphasizing standardization and normalization, strictly controlling costs, and pursuing continuous improvement. We will continue to enhance technological innovation levels around industry needs, digitally transforming the safety monitoring, operation control, and emergency command and dispatch systems of passageway infrastructure based on existing software products, adhering to the path of digital transformation.

In the field of smart logistics, the Group will continue to advance the delivery and acceptance of key projects such as Ganzhou Comprehensive Bonded Zone, Shangrao Comprehensive Bonded Zone, and Suqian Bonded Logistics Center, steadily capturing the market. We will continue to promote the research and development and market promotion of domestic products, taking the lead in market layout; continuously iterate and innovate AI intelligent identification series products, developing new AI algorithms for “line scan” cameras, promoting market expansion through application scenario research and development innovation, and cultivating customer demand through industry solution experts, establishing competitive barriers through multiple measures, and maintaining industry leadership.

Meanwhile, “Green” has become the “new coordinate” for high-quality development of Chinese enterprises. The Group will implement the development concept of “green transportation,” continuing to focus on the three major business areas of smart highways, smart ports, and smart vehicles.



## ***Research and Development Plan***

The Group is dedicated to leveraging technological capabilities to create customer benefits, focusing on research and development in the fields of radio frequency identification, video recognition, the internet, big data, and artificial intelligence. We provide intelligent system integration solutions for information collection, processing, and management control in the Internet of Things for customers in the intelligent transportation and smart logistics fields, becoming a leading IoT solutions provider.

In the field of intelligent transportation, the Group has established the “Jiangsu Province Smart Highway Engineering Technology Research Center,” which develops smart highway management systems based on data. By fully utilizing cloud computing, artificial intelligence, big data, and other technologies, we analyze data on vehicles, human flow, and infrastructure to achieve smart decision-making in vehicle trajectory tracking, flow control of people and vehicles, and traffic safety warnings, realizing intelligent management of vehicles and traffic. Through the construction of smart highway demonstration projects, we strive to create technologically leading, standardized, and replicable smart highways. By summarizing the experiences of demonstration projects, we propose suggestions for the revision of highway engineering standards and specifications under new technological environments, forming technical solutions that can be implemented and promoted nationwide. These solutions provide road administrators with applications for efficient management and road users with applications for traffic safety and convenient travel.

In the field of smart logistics, the Group relies on the “Nanjing City Cross-border Logistics Information Technology Engineering Research Center” to provide intelligent solutions including information planning, software products, hardware products, information system integration, and operation and maintenance services for customers in customs, special customs supervision areas, cross-border comprehensive pilot zones, ports, terminals, airports, and other logistics fields. This improves regulatory efficiency, reduces regulatory costs, and increases customs clearance convenience, thus promoting trade circulation. Currently, we have developed over 40 mature industry products with a high domestic industry standing.

The year 2025 heralds the end of the national ‘14th Five-Year Plan’ and the onset of the ‘15th Five-Year Plan’ layout. We are confident in our future development, determined to shape a technology-innovative enterprise, continuously improve service capabilities and optimize product functions, consolidate the transformation of scientific research results and business foundations, strengthen market expansion, and solidify technical and product innovation capabilities. We believe that by consistently prioritizing our core product technology and sincerely delivering products and services that offer essential value and solve core pain points for users, we can gain a competitive advantage in today’s complex market environment.

## DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

All Directors and Supervisors have entered into service contracts with the Company. The service contracts were expired on 31 December 2024 and the further renewal of a term of 3 years shall be subject to the shareholders' approval at the forthcoming general meeting of the Company.

Save as disclosed above, no Directors and Supervisors has a service contract with the Company's subsidiaries which is not terminable by the Company within one year without payment, other than statutory compensation.

## COMPETING BUSINESS AND CONFLICTS OF INTERESTS

None of the Directors or substantial shareholders or any of their respective associates (as defined in the rules governing the listing of securities on the Stock Exchange (the **"Listing Rules"**)) is engaged in any business which competes or is likely to compete with the business of the Group, and none of them has other conflicts of interests with the Group.

## AUDIT COMMITTEE

The Company established an audit committee on 27 August 2003 with terms of reference. The primary duties of the audit committee are to supervise the financial reporting process, the internal control and risk management of the Company.

The audit committee comprises three independent non-executive Directors, namely Mr. Gao Lihui (the Chairman of the audit committee), Mr. Hu Hanhui and Ms. Chung Yuet Mei. The audit committee of the Company has reviewed the audited results of the Group for the Review Period and has provided advice and comments thereon.

## DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

On 13 December 2024, the Company (as the lessor) and Nanjing Sample Technology Group Company Limited\* (南京三寶科技集團有限公司) (**"Sample Group"**) (as the lessee) had renewed the property leasing framework agreement for a term of three years commencing from 1 January 2025 and ending on 31 December 2027. Pursuant to the property leasing framework agreement, the Company agreed to lease their lawfully owned properties to Sample Group and its associates (as defined under the Listing Rules) and Sample Group agreed to rent and procure the members of Sample Group and its associates to rent the lawfully owned properties of the Company.

As Mr. Sha Min (**"Mr. Sha"**), the Chairman and executive Director of the Company, is interested in 60.40% of equity interest in Jiangsu Sample Holding Group Limited\* (江蘇三寶控股集團有限公司) (formerly known as Jiangsu Sample Holding Limited\* (江蘇三寶控股有限公司)) which in turn owns 49% of equity interest in Sample Group, a controlling shareholder of the Company and Mr. Liu Fei (**"Mr. Liu"**), the non-executive Director of the Company, is currently a director of Sample Group, therefore, each of Mr. Sha and Mr. Liu was considered to have a material interest in the property leasing framework agreement.



Save as disclosed above, no contract of significance was entered into by the Company or any of its subsidiaries with Directors or Supervisors involving direct or indirect material interest, subsisted at the end of the year or at any time during the year.

## **CORPORATE GOVERNANCE CODE**

The Company has adopted all the requirements of the code provisions of the Corporate Governance Code (the “**Corporate Governance Code**”) contained in Appendix C1 to the Listing Rules.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual.

Since the resignation of Mr. Ma Fengkui as the chief executive officer of the Company on 3 March 2023, Mr. Sha Min has been served as the Chairman as well as the chief executive officer of the Company. Despite the deviation from C.2.1 of the code provision of the Listing Rules, the Board believed that Mr. Sha, being the Chairman of the Company, is familiar with the Company’s business operation and has excellent knowledge and experience of the Company’s business which will be conducive to improving the efficiency of the Company’s overall strategic planning. In addition, Mr. Ma Fengkui, an executive Director of the Company, has been appointed as the vice president of the Company who will assist Mr. Sha in overseeing the business operation and management. At the same time, Mr. Liu Min, an executive Director of the Company, has also been appointed as the vice president of the Company who will assist Mr. Sha in overseeing the asset management business. The Board believed that such management structure layout will be more beneficial to the future development of the Company and will improve the Company’s operating conditions. Under the supervision of the Board which currently comprises of three executive Directors, one non-executive Director and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

At the extraordinary general meeting (“**EGM**”) of the Company held on 30 September 2024, Mr. Sha Min, the executive Director and chairman, was unable to attend the EGM due to his other business engagement.

Save as disclosed above, the Company has fully complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules for the Review Period.

## **REQUIREMENTS UNDER RULE 13.49(1) OF THE LISTING RULES**

Pursuant to Rule 13.49(1) of the Listing Rules, the Company is required to publish an announcement in relation to its preliminary results in respect of the financial year ended 31 December 2023 (“**2023 Annual Results**”) not later than three months after the end of the financial year of the Company, i.e. on or before 31 March 2024. The Company was unable to publish the 2023 Annual Results on or before 31 March 2024, as required by the Listing Rules. The delay in the publication of the 2023 Annual Results constituted a non-compliance with Rule 13.49(1) of the Listing Rules. Therefore, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on Tuesday, 2 April

2024, in accordance with Rule 13.50 of the Listing Rules, until the publication of the 2023 Annual Results by the Company on 25 April 2024, the trading in the shares of the Company on the Stock Exchange was resumed with effect from 9:00 a.m. on 26 April 2024.

## **REQUIREMENTS UNDER RULES 3.10(1), 3.21 AND 3.27A OF THE LISTING RULES**

Pursuant to Rule 3.10(1) of the Listing Rules, the board of a listed issuer must include at least three independent non-executive directors (“INEDs”). Pursuant to Rule 3.21 of the Listing Rules, the audit committee of a listed issuer must comprise a minimum of three members and the majority of the audit committee members must be INEDs. Pursuant to Rule 3.27A of the Listing Rules, a listed issuer must establish a nomination committee with a majority of INEDs. Following the resignation of Mr. Niu Zhongjie with effect from 31 May 2024, the number of INEDs and the composition of the audit committee and the nomination Committee of the Company have failed to meet the relevant requirements under the Listing Rules.

Ms. Chung Yuet Mei has been appointed as an independent non-executive Director and members of the audit committee and the nomination committee of the Company with effect from 30 September 2024, therefore the Company has fully complied with the requirements under Rules 3.10(1), 3.21 and 3.27A of the Listing Rules accordingly.

## **CHANGE IN CONSTITUTIONAL DOCUMENT**

On 28 June 2024, the shareholders of the Company approved the amendments of the Company’s articles of association in order to allow the Company to (i) comply with the latest amendments in the Company Law of the People’s Republic of China (《中華人民共和國公司法》(the “**PRC Company Law**”)); (ii) disseminate corporate communications electronically; and (iii) align the Company’s business scope as stated in the articles of association of the Company with the existing business license. Details of the amendments were disclosed in the Company’s circular dated 30 May 2024.

On 17 January 2025, the shareholders of the Company approved certain amendments to the Company’s articles of association to (i) change the Company’s business scope in alignment with the business development of the Group; and (ii) further comply with the relevant provisions of the PRC Company Law effective from 1 July 2024. At the same time, based on the Company’s actual situation, other minor amendments and corresponding changes to the articles of association were made. Details of the amendments were disclosed in the Company’s circular dated 27 December 2024.

Save as disclosed above, there has been no significant change in the Company’s articles of association during the Review Period.

## **DETAILS OF FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS**

Save as disclosed in the financial statements, the Company did not commit any future plan for material investment or capital assets.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Appendix C3 to the Listing Rules. Having made specific enquiry with all Directors, the Directors have complied with such code of conduct and the required standard of dealings regarding securities transactions throughout the year ended 31 December 2024.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

During the year, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

## **FINAL DIVIDEND**

In consideration of multiple uncertain risks in the industry, combined with the Company's long-term development goals and short-term operating conditions, thus, at the board meeting held on 31 March 2025, the Board did not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

## **PUBLICATION OF ANNUAL REPORT**

The 2024 annual report of the Company containing all the applicable information required by the Listing Rules will be dispatched to the shareholders of the Company who have indicated that they wish to receive a printed version of the corporate communication and published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.samples.com.cn](http://www.samples.com.cn) in due course.

By Order of the Board  
**Nanjing Sample Technology Company Limited\***  
**Sha Min**  
*Chairman*

Nanjing, the PRC  
31 March 2025

*As at the date hereof, the executive Directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive Director is Mr. Liu Fei; and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Ms. Chung Yuet Mei.*

\* For identification purpose only