南京熊猫電子股份有限公司
NANJING PANDA ELECTRONICS COMPANY LIMITED

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

(Stock Code: 00553)

2025 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 directors 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 2026.

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.

The Company proposes to distribute a cash dividend of RMB0.10 (tax inclusive) per 10 shares to all shareholders based on the total issued share capital of 913,838,529 shares as of 31 December 2025. The total cash dividend payable shall amount to RMB9,138,385.29 (tax inclusive). The remaining portion shall be carried forward to the next fiscal year. The Company will not implement capitalization of capital reserves to increase share capital.

As at the end of the reporting period, circumstances relating to the parent company's existence of uncovered losses and the impact on matters such as the Company's dividend distribution: N/A

II. INFORMATION ABOUT THE COMPANY

1 Basic Information of the Company

Stock Profile

Stock type	Listing stock exchange	Abbreviated name	Stock Code	Stock name before change
A share	Shanghai Stock Exchange	Nanjing Panda	600775	N/A
H share	The Stock Exchange of Hong Kong Limited	Nanjing Panda Electronics	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
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2 Information on principal activities during the reporting period

2.1 Industry Overview

The Company operates in the manufacturing industry of computers, communication and other electronic equipment.

The electronic information manufacturing industry is not only an anchor for economic growth, but also the core engine of digital and intelligent transformation. It plays a strategic, fundamental and pioneering role in the national economy, and is an important sector for stabilizing industrial economic growth and safeguarding national political and economic security. In recent years, with sustained policy support, the industry is expected to achieve new leaps in terms of scale and structure. In 2025, China's electronic information manufacturing industry achieved rapid growth in production, exports were flat year-on-year, economic efficiency improved steadily, and the overall development momentum of the industry was sound. The value-added of industrial electronic information manufacturing enterprises above designated size increased by 10.6% year-on-year, 4.7 percentage points and 1.2 percentage points higher than that of the overall industry and high-tech manufacturing industry in the same period, respectively. Industrial electronic information manufacturing enterprises above designated size achieved operating income of RMB17.4 trillion, up 7.4% year-on-year; operating costs of RMB15.1 trillion, up 6.9% year-on-year; total profit of RMB750.9 billion, up 19.5% year-on-year; with an operating income profit margin of 4.3%.

In the smart urban rail transit sector, as of the end of 2025, a total of 23 cities in China, including Beijing, Shanghai, Shenzhen, Guangzhou, Wuhan and Chengdu, had launched fully automated operation lines, with 74 lines (sections) in operation and an operational network mileage of 2,472.43 kilometers, and the operation scale is gradually expanding. The newly added operational mileage of fully automated lines in 2025 reached 561.62 kilometers. China's urban rail transit fully automated operation system is moving from the initial "point breakthrough" to the stage of "network collaboration". Over the past decade, the urban rail transit industry has achieved rapid improvement in automation levels from single-line demonstration to deployment in multiple cities. In the next decade, the system will evolve beyond "unmanned operation" toward a "smart living organism". The development of the fully automated operation system for urban rail transit has entered a new cycle from technical verification to large-scale application and value exploration. Supported by rigid demand for new lines and the continuous release of renovation demand for existing lines, the fully automated operation system is expected to maintain steady growth. Of particular note is the rail transit market in second- and third-tier cities and medium-low volume systems; driven by cost optimization and technical standardization, the penetration rate of fully automated operation is expected to rise further. Meanwhile, the service market focusing on intelligent operation and maintenance, data analysis and other services covering the full life cycle of the system will become a new growth driver. The technological development trend is toward reducing integration complexity and maintenance costs, continuously improving the localization rate of key components, and deeply integrating with new infrastructure such as 5G, Beidou and edge computing.

In the digital economy sector, 2025 was a pivotal year for China's digital economy to shift from "quantitative expansion" to "qualitative improvement". While the scale continued to expand, the integration of digital and real economies became the core feature, and the driving role of artificial intelligence became increasingly prominent. During the year, policy planning targets were basically achieved, digital industrialization and industrial digitalization advanced in tandem, and a brand-new "digital-intelligent industry" ecosystem was taking shape. The integration of traditional industries with digital technologies advanced to a deeper level and wider scope. The expenditure of manufacturing enterprises on digital technology procurement increased by 11.2% year-on-year. More than 7,000 advanced-level smart factories and over 500 excellence-level smart factories had been built nationwide. The total number of 5G base stations nationwide reached 4.758 million, realizing "gigabit access in every county and 5G coverage in every township". The national intelligent computing capacity reached 788 EFLOPS, providing strong support for AI applications. In 2025, artificial intelligence was deeply integrated into all walks of life, becoming a new engine driving development. The scale of the core artificial intelligence industry exceeded RMB 1 trillion. "Data artificial intelligence" and "artificial intelligence data" developed in parallel, forming a new business format of "digital-intelligent industry". AI is driving the intelligent upgrading of the entire production chain of enterprises. The number of national digital-intelligent enterprises exceeded 400,000.The number of enterprises developing or applying artificial intelligence increased by 36% year-on-year. In the future, data and artificial intelligence will be further deeply integrated, the scale of data aggregation will continue to expand, and application scenarios will become more abundant. Broader fields such as embodied intelligence and AI for Science will be deeply integrated with the real economy, fostering more emerging industries.

2.2 Impact of New Policies on the Industry

1. The National Development and Reform Commission and five other ministries issued Several Measures on Strengthening the Cultivation of Digital Economy Innovative Enterprises. It proposed 10 measures to cultivate "digital innovation enterprises", including establishing a "Digital Innovation Enterprise Cultivation Pool" for precise identification and cultivation; exploring the issuance of "data vouchers" and "algorithm vouchers"; and supporting high-quality digital innovation enterprises to list and finance. This marks that China's cultivation of digital economy enterprises has shifted from "universal support" to "targeted policies" and "all-factor supply". It not only focuses on traditional capital and talents, but also creatively empowers enterprises by taking data and computing power as core production factors. Through innovative tools such as "data vouchers", "algorithm vouchers" and "first purchase and first use", it strives to address the early-stage dilemma of innovative enterprises — "having technology but no market, having products but no customers", which is of far-reaching significance for stimulating innovation vitality in the digital economy and consolidating the foundation of digital industrial clusters.

2. The Ministry of Industry and Information Technology issued the 2025 Work Priorities for the Integration of Informatization and Industrialization. It proposed to implement the "Artificial Intelligence + Manufacturing" initiative, accelerate the intelligent upgrading of key industries, and create an upgraded version of intelligent manufacturing. It put forward improving the development system for the integration of informatization and industrialization; consolidating infrastructure such as 5G/6G and computing centers; deepening research on key integration technologies; implementing the "Artificial Intelligence + Manufacturing" initiative; and cultivating industrial intelligences. This provides institutional guarantee and path guidance for the digital transformation of the manufacturing industry. Strengthening the layout of industrial intelligences and industry large models will enhance the intelligent level of the entire industrial process and stimulate service demand, bringing broad market space for digital transformation service providers.

3. The Ministry of Industry and Information Technology and seven other departments issued the Implementation Opinions on the Special Action of "Artificial Intelligence + Manufacturing". It proposed to accelerate the construction of a new development pattern, coordinate development and security, adhere to innovation-driven, scenario-led, market-oriented, secure and credible, open and shared, inclusive and integrated development. On one hand, it focuses on technology supply to promote "intelligence industrialization"; on the other hand, it focuses on empowering applications to accelerate "industrial intelligence", so as to expand the industrial ecosystem as a whole, promote the deep integration of artificial intelligence technological innovation and industrial innovation, realize "two-way empowerment" between artificial intelligence technology and manufacturing applications, accelerate the intelligent, green and integrated development of the manufacturing industry, and strongly support the construction of a strong manufacturing country, a strong cyber country and a digital China. By 2027, China will achieve secure and reliable supply of key core artificial intelligence technologies, and its industrial scale and empowerment level will rank among the top in the world. It will promote the in-depth application of 3–5 general large models in manufacturing, form specialized and full-coverage industry large models, launch 1,000 high-level industrial intelligences, build 100 high-quality industrial datasets, and promote 500 typical application scenarios. It will cultivate 2–3 globally influential ecosystem-leading enterprises and a number of specialized, sophisticated, unique and new small and medium-sized enterprises, build a group of empowering application service providers "proficient in intelligence and familiar with industries", and select 1,000 benchmark enterprises. A globally leading open-source ecosystem will be built, security governance capacity will be comprehensively improved, and China's solutions will be contributed to the development of artificial intelligence.

4. The Ministry of Industry and Information Technology and the State Administration for Market Regulation issued the Action Plan for Steady Growth of Electronic Information Manufacturing (2025–2026). It requires that during 2025–2026, the average growth rate of value-added of industrial enterprises above designated size engaged in the manufacture of computers, communication and other electronic equipment will be about 7%. Including lithium batteries, photovoltaic and component manufacturing and other related fields, the average annual revenue growth rate of the electronic information manufacturing industry will reach more than 5%. By 2026, it is expected that the revenue

scale and export proportion will remain the first among 41 major industrial categories; the revenue of the electronic information manufacturing industry in 5 provinces will exceed RMB1 trillion; the scale of the server industry will exceed RMB400 billion; the domestic market penetration rate of 75-inch and above color TVs will exceed 40%; and personal computers and mobile phones will move toward intelligence and high-end.

5. The Ministry of Industry and Information Technology and two other departments jointly issued the Digital Transformation Implementation Plan for Electronic Information Manufacturing Industry. It proposed to accelerate the deep integration of the real economy and the digital economy, adhere to innovation leadership, overall planning, industry-specific measures, and safe and orderly development, deepen the application of digital technologies, improve the digital, networked and intelligent level of the electronic information manufacturing industry, promote the transformation of production modes and organizational forms, create new development models and business forms, foster new growth drivers, accelerate the high-end, intelligent, green and integrated development of the electronic information manufacturing industry, and provide strong support for advancing new industrialization and building a modern industrial system. By 2027, the new information infrastructure for digital transformation and intelligent upgrading of the electronic information manufacturing industry will be basically improved; the numerical control rate of key processes of industrial electronic information manufacturing enterprises above designated size will exceed 85%; advanced computing and artificial intelligence will deeply empower industrial development. Typical scenario solutions will be fully covered, with more than 100 typical scenario solutions formed; service capacity will be significantly enhanced, and a "resource pool" of no less than 100 specialized service providers for the electronic information manufacturing industry will be established. The standard support system will be basically formed, and the talent echelon for digital transformation will be basically established. By 2030, transformation scenarios will be richer; a relatively complete system of basic data systems for the electronic information manufacturing industry will be established; an industrial database for the electronic information manufacturing industry will be basically built; a number of iconic intelligent products will be formed; the environment for digital services and standards supporting transformation will be basically improved; a digital ecosystem will be basically formed; the efficiency and quality of transformation will be greatly improved; and new breakthroughs will be made in extending to the high end of the global value chain.

6. The 2026 Government Work Report of the State Council proposed to build international science and technology innovation centers in Beijing (Beijing-Tianjin-Hebei), Shanghai (Yangtze River Delta) and the Guangdong-Hong Kong-Macao Greater Bay Area, and create world-class sources of scientific and technological innovation. It will strengthen the dominant role of enterprises in innovation, support leading science and technology enterprises to take the lead in establishing innovation consortiums, and increase the proportion of undertaking major national science and technology projects. It will strengthen the construction of pilot verification platforms, improve the intellectual property protection system in emerging fields, and accelerate the efficient transformation and application of major scientific and technological achievements. It will strengthen financial services covering the whole chain and life cycle of scientific and technological innovation, and implement a regular "green channel" mechanism for listing financing, mergers and acquisitions and restructuring for technology-based enterprises in key core technology fields, so as to support innovation and creation through technology finance.

7. The Ministry of Industry and Information Technology and five other departments jointly issued the Implementation Opinions on Strengthening the Capacity Building of the Information and Communication Industry to Support the Development of Low-Altitude Infrastructure. It proposed that by 2027, the coverage rate of ground mobile communication networks along national low-altitude public air routes will be no less than 90%; the multi-integrated sensing scheme will be further improved and mature; the level of low-altitude navigation services will continue to improve; no less than 10 information infrastructure standards will be developed; and a number of typical low-altitude application scenarios will be formed in urban governance, logistics and transportation, culture and tourism and other fields. It will set out a number of key tasks, including promoting the coverage of communication networks in low-altitude scenarios as needed, exploring the construction of multi-detection collaborative service capabilities, helping improve the precision of navigation services, and supporting the construction of a low-altitude intelligent networked system.

2.3 Principal Businesses

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, 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.

2.4 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.

2.5 Overview of the Development of Principal Businesses

In the field of smart transportation and safe city, the Company has been deeply engaged in the smart rail transit sector for many years. Relying on an innovative technical system and design concept, it continuously improves its core capabilities and professional standards, winning extensive trust from customers and high recognition from the industry. At present, the Company has developed into a leading domestic comprehensive solution provider, capable of providing full-chain solutions, software services and core equipment such as urban rail transit integrated command systems, automatic fare collection systems (AFC), automatic clearing center systems (ACC) and communication systems, with increasingly prominent brand influence. Among them, the automatic fare collection systems and equipment rank among the first echelon in the domestic industry, and the general contracting business of rail transit communication systems also ranks at the forefront of the market, fully demonstrating the Company's comprehensive strength and leading position in the field of smart rail transit. Digital park products are mainly based on ubiquitous operating systems to build full-scenario digital-intelligent capabilities. In the communication business, the Company closely follows the pulse of national strategy, focuses on the cutting-edge field of low-orbit satellite internet, and focuses on the layout of low-orbit satellite internet terminals and related products. In the energy storage product sector, the Company masters energy storage power supply technology with certain reliability and high power density, and strives to provide efficient energy storage solutions for commercial and industrial users, supporting the development of green energy and smart cities.

In the field of industrial internet and intelligent manufacturing, the Company is deeply engaged in smart warehousing, industrial robots and their applications, industrial software, overall smart factory solutions and other fields. As one of the first local "intelligent transformation and digital upgrading" service providers, the Company has system solutions with independent intellectual property rights in multiple application scenarios such as intelligent production, intelligent management and intelligent manufacturing services, and can provide customers with efficient, accurate and customized intelligent manufacturing solutions. It has made breakthroughs in key technologies such as intelligent stacking and assembly of large-capacity energy storage flow batteries, visual multi-system integration and scheduling, and multi-scenario integration strategies of smart warehouse management systems. It has enriched its product system and formed a new pattern of coordinated development of diversified products focusing on warehousing and logistics equipment, as well as lithium battery new material production equipment, substrate glass production equipment and lithium battery recycling equipment. It has built intelligent production lines and formed solutions such as intelligent flexible assembly and flow battery intelligent production lines. By improving the intelligent level of products and services, it has formed a multi-field and multi-category product matrix.

In the field of green service-oriented electronic manufacturing, the Company focuses on the transformation and upgrading toward digitalization, intelligence and greening. With "technology + service" as the dual-core driver, the Company is committed to providing one-stop and complete EMS manufacturing services covering technology R&D, process design, procurement management, production, warehousing and logistics for cutting-edge fields such as new displays, automotive electronics, information and communication, new materials and new energy. The Company has set up a number of intelligent manufacturing factories in Nanjing, Chengdu and Shenzhen, with about 40 industry-leading high-speed SMT production lines. Relying on the deeply integrated MES and SAP-ERP systems, the Company has realized full-factory and full-process automatic tracking and closed-loop production management, ensuring precise control of production processes, and serving customers with diverse needs through efficient and high-quality green manufacturing services. The Company has continuously invested in the construction of a product testing center accredited by CNAS, which strictly controls product stability and reliability. At present, it has successfully built large-scale and professional manufacturing capabilities in key fields such as automotive electronics and white goods, becoming the most reliable partner for customers.

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	**2025**	**2024**	Year-on-year increase/ decrease *(%)*	2023
Total assets	5,468,051,932.45	5,320,807,895.66	2.77	5,540,955,892.33
Net assets attributable to shareholders of the Company	3,124,306,688.24	3,114,294,647.60	0.32	3,303,235,992.24
Operating revenue	2,487,905,161.86	2,645,884,960.86	-5.97	2,912,311,480.01
Total profit	70,376,319.82	-124,621,998.16	N/A	-173,745,083.99
Operating revenue after deducting income unrelated to the principal business and income lacking commercial substance	2,479,452,213.61	2,639,721,097.67	-6.07	2,906,890,141.38
Net profit attributable to shareholders of the Company	10,731,710.09	-188,854,556.25	N/A	-237,862,230.10
Net profit attributable to shareholders of the Company after extraordinary items	-258,433,540.66	-202,269,390.80	N/A	-257,009,511.61
Net cash flows from operating activities	2,648,667.94	-265,274,734.11	N/A	-65,851,054.62
Weighted average return on net assets *(%)*	0.34	-5.89	Increase by 6.23 percentage points	-6.92
Basic earnings per share *(RMB/share)*	0.0117	-0.2067	N/A	-0.2603
Diluted earnings per share *(RMB/share)*	0.0117	-0.2067	N/A	-0.2603

Explanation of the Company's key accounting data and financial indicators for the previous three years as of the end of the reporting period: The decrease in the Company's operating revenue in 2025 was primarily due to a decline in export orders and intense competition in the existing market for the smart manufacturing business; The increase in total profit was primarily due to the completion of the equity transfer of the associate Nanjing Ericsson Panda Communication Co., Ltd. during the current period, which generated a disposal gain of approximately RMB256 million. Additionally, in light of the current operating conditions and the actual status of assets, and in strict accordance with the requirements of the Accounting Standards for Business Enterprises, comprehensive impairment tests were conducted on relevant assets, resulting in the recognition of credit impairment losses and asset impairment losses, which had a certain impact on net profit attributable to owners of the parent company; The increase in net cash flow from operating activities was primarily due to a year-over-year decrease in cash paid for the purchase of goods and services during the current 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	405,735,194.47	636,916,039.25	517,489,430.16	927,764,497.98
Net profit attributable to shareholders of the Company	-35,281,525.82	-10,302,619.28	-44,131,774.15	100,447,629.34
Net profit attributable to shareholders of the Company after extraordinary items	-37,935,519.90	-23,582,945.00	-36,269,442.43	-160,645,633.33
Net cash flows from operating activities	-13,707,748.31	-131,223,885.27	135,803,927.18	11,776,374.34

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	75,185
Total number of shareholders of ordinary shares at the end of the last month prior to the disclosure of the annual report	137,724
Total number of preferred shareholders with voting rights resumed as at the end of the reporting period	0
Total number of preferred shareholders with voting rights resumed at the end of the last month prior to the disclosure of the annual report	0

Shareholding of top ten shareholders (excluding lent shares by way of refinancing)

Full Name of Shareholder	Increase/ decrease during the reporting period	Number of shares held at the end of the reporting period	Percentage of shareholding *(%)*	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Shares		Type of shareholders
					Status of shares	Number of Shares	
HKSCC (Nominees) Limited	1,304,463	244,414,175	26.75	0	Unknown		Overseas legal person
Panda Electronics Group Limited	0	210,661,444	23.05	0	Pledge	105,091,430	State-owned legal person
Nanjing Electronics Information Industrial Corporation	0	22,120,611	2.42	0	Unknown		State-owned legal person
Chen Xianlai (陳先來)	3,760,000	3,760,000	0.41	0	Unknown		Domestic natural person
UBS AG	2,443,580	3,696,050	0.40	0	Unknown		Other
Pan Jun (潘軍)	2,270,000	2,270,000	0.25	0	Unknown		Domestic natural person
Zhang Peiyi (張佩儀)	1,927,288	1,927,288	0.21	0	Unknown		Domestic natural person
Deng Chizhu (鄧赤柱)	1,500,000	1,900,000	0.21	0	Unknown		Domestic natural person
Huatai Financial Holdings (Hong Kong) Limited – China Hongze Fund (華泰金融控股(香港)有限公司－中國宏澤基金)	1,431,849	1,800,600	0.20	0	Unknown		Other
Liu Jinhua (劉金華)	421,900	1,656,000	0.18	0	Unknown		Domestic natural person

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.**
Description on the preferred shareholders with restored voting rights and their shareholdings	N/A

Notes:

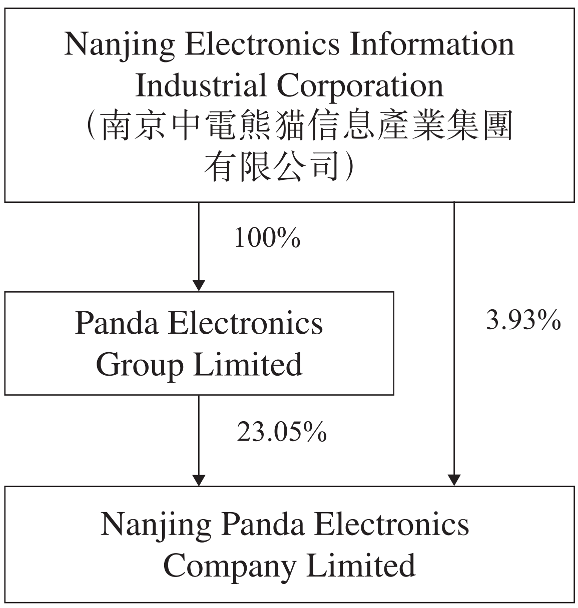
1. HKSCC Nominees Limited is a nominee holder of the shares owned by the non-registered holders of the H shares of the Company; in the above table, shares held by other shareholders in "Shareholding of top ten shareholders" are RMB-denominated ordinary shares (A shares). As at the end of the reporting period, HKSCC (Nominees) Limited held 244,414,175 shares (including 241,697,140 H shares and 2,717,035 A shares) of the Company on behalf of a number of clients, representing 26.75% of the total issued share capital of the Company, which includes 13,768,000 H shares held by NEIIC, 27,414,000 H shares held by CEIEC (H. K.) Limited, a wholly-owned subsidiary of CEC, and 11,256,000 H shares held by Barclays Bank PLC. Save as disclosed above, the Company is not aware of any individual client holding more than 5% of the total issued share capital of the Company.

2. NEIIC, a controlled subsidiary of CEC, directly holds 22,120,611 A shares of the Company and holds 13,768,000 H shares through HKSCC Nominees Limited; CEIEC (H. K.) Limited, a wholly-owned subsidiary of CEC, holds 27,414,000 H shares of the Company through HKSCC Nominees Limited; and PEGL, a wholly-owned subsidiary of NEIIC, holds 210,661,444 A shares of the Company. CEC, the de facto controller of the Company, holds a total of 273,964,055 A shares and H shares of the Company through the above companies, representing 29.98% of the Company's total issued share capital.

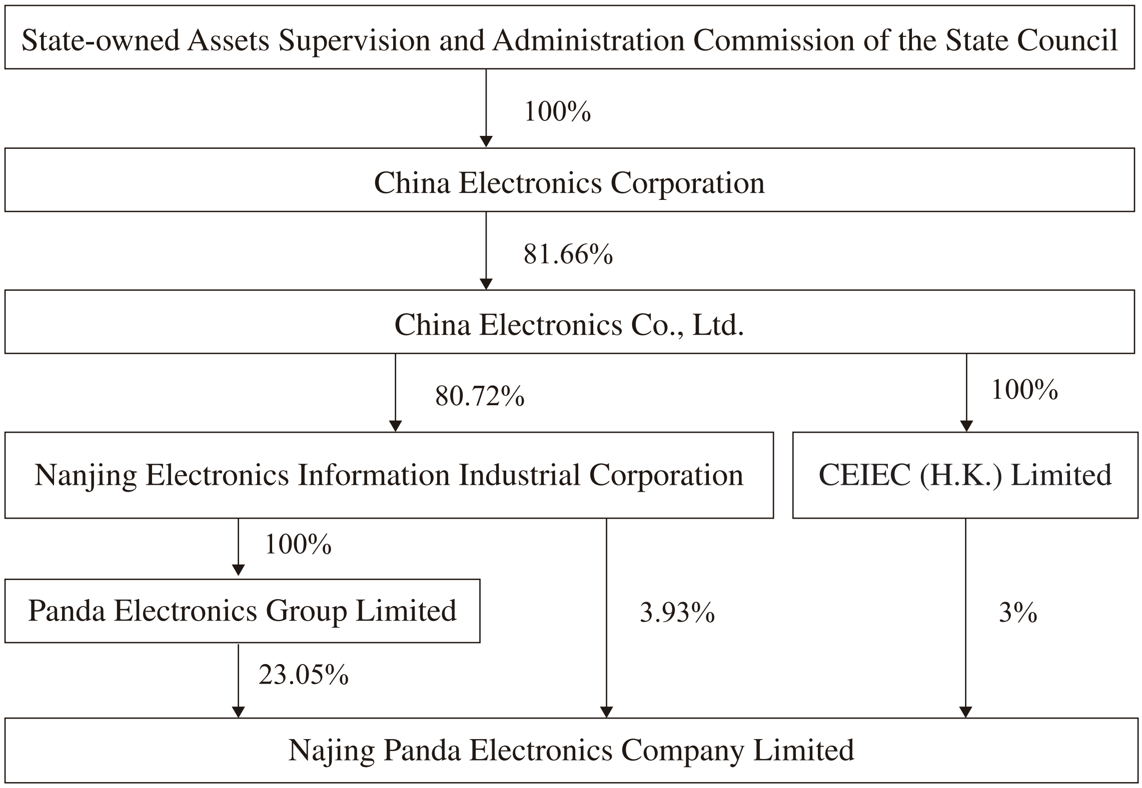
3. As at the end of the reporting period, Barclays Bank PLC held 1,403,748 A shares of the Company, and held 11,256,000 H shares through HKSCC Nominees Limited, representing approximately 1.38% of the total issued share capital of the Company. Please note that Barclays Bank PLC is a non-registered H shareholder of the Company, therefore the latest number of H shares held by Barclays Bank PLC in the Company is only as of 15 August 2025. The above data assumes that the number of H shares held by Barclays Bank PLC remains unchanged from 15 August 2025 to the end of the Reporting Period. In the event that Barclays Bank PLC changes its holding of H shares in the Company from 15 August 2025 to the end of the Reporting Period, it will not be required to notify the Company and the Hong Kong Stock Exchange unless certain conditions are met. Accordingly, the number of H shares held by Barclays Bank PLC in the Company as at the end of the Reporting Period may be different from the shareholding submitted to the Hong Kong Stock Exchange.

4. On 19 April 2024, the Company received a notice from PEGL, the controlling shareholder of the Company, that part of the shares it held in the Company were pledged. Pursuant to the notice, PEGL pledged 105,091,430 shares in the Company, accounting for 49.89% of the total shares it held in the Company and 11.50% of the total share capital of the Company. For details, please refer to the relevant announcement of the Company published in China Securities Journal and Shanghai Securities News and on the websites of the 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, the Company turned losses into profits as a whole. In terms of operation, due to the decline in orders for export business, as well as the transitional adjustment period of the intelligent manufacturing business, power supply and communications business, the development of new customers fell short of expectations, and the relevant businesses had not yet formed large-scale sales, which had a certain impact on the Company's operating performance. Meanwhile, during the reporting period, the Company received disposal proceeds from its associates Nanjing Ericsson Panda Communication Co., Ltd. and Beijing SE Potevio Mobile Communications Co., Ltd., which had a material impact on investment income. In addition, in accordance with the Accounting Standards for Business Enterprises, the Company recognised credit impairment losses and asset impairment losses, which also had a certain impact on net profit. For details of the provision for asset impairment, please refer to the relevant announcements published by the Company in China Securities Journal, Shanghai Securities News and the website of the Shanghai Stock Exchange on 28 March 2026.

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	**2,487,905,161.86**	2,645,884,960.86	-5.97
Operating costs	**2,110,452,090.16**	2,220,744,587.45	-4.97
Cost of sales	**39,265,266.28**	45,292,628.32	-13.31
Administrative expenses	**300,732,240.07**	283,038,723.68	6.25
Financial expenses	**-5,389,310.77**	-12,076,236.50	N/A
R&D expenses	**215,718,706.04**	262,177,873.98	-17.72
Net cash flows from operating activities	**2,648,667.94**	-265,274,734.11	N/A
Net cash flows from investing activities	**412,678,116.03**	102,912,989.98	301.00
Net cash flows from financing activities	**-10,026,609.00**	30,274,303.43	-133.12
Investment income	**349,929,425.74**	96,152,132.69	263.93
Gain or loss on changes in fair value	**8,562,187.34**	4,914,915.97	74.21
Credit impairment losses	**-36,517,369.96**	-27,310,416.22	N/A
Assets impairment losses	**-80,532,601.62**	-46,693,274.64	N/A
Gain from the disposal of assets	**-247,757.88**	8,373.69	-3,058.77
Non-operating income	**3,236,839.97**	987,777.94	227.69
Non-operating expenses	**967,002.63**	1,389,551.26	-30.41

Notes:

(1) Reasons for changes in operating income: mainly due to the decrease in orders from the Company's export business and fierce competition in the existing market of the intelligent manufacturing business, resulting in the decrease in operating income;

(2) Reasons for changes in operating costs: mainly due to the decrease in orders from the Company's export business and fierce competition in the existing market of the intelligent manufacturing business, resulting in the year-on-year decrease in operating costs due to the decline in operating income;

(3) Reasons for changes in selling expenses: mainly due to the decrease in employee remuneration of sales personnel and advertising and exhibition expenses;

(4) Reasons for changes in administrative expenses: mainly due to the increase in staff termination expenses;

(5) Reasons for changes in financial expenses: mainly due to the decrease in interest income;

(6) Reasons for changes in R&D expenses: mainly due to the decrease in employee remuneration of R&D personnel and R&D materials;

(7) Reasons for changes in net cash flows from operating activities: mainly due to the year-on-year decrease in cash paid for goods and services received in the current period;

(8) Reasons for changes in net cash flows from investing activities: mainly due to the recovery of disposal proceeds from joint ventures Nanjing Ericsson Panda Communication Co., Ltd. and Beijing SE Potevio Mobile Communications Co., Ltd. in the current period;

(9) Reasons for changes in net cash flows from financing activities: mainly due to the receipt of bill discount proceeds without derecognition in the previous period;

(10) Reasons for changes in investment income: mainly due to the increase in gains from disposal of equity interests in joint ventures;

(11) Reasons for changes in gain or loss on changes in fair value: mainly due to the increase in fair value changes recognised on structured deposits in the current period;

(12) Reasons for changes in credit impairment losses: mainly due to the increase in provision for bad debts of accounts receivable recognised in the current period compared with the previous period;

(13) Reasons for changes in assets impairment losses: mainly due to the increase in provision for inventory write-down and provision for impairment of property, plant and equipment and intangible assets recognised in the current period;

(14) Reasons for changes in gain from disposal of assets: mainly due to the losses arising from disposal of fixed assets in the current period;

(15) Reasons for changes in non-operating income: mainly due to payables no longer required to be settled;

(16) Reasons for changes in non-operating expenses: mainly due to the litigation compensation incurred in the previous period.

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	120,196,788.58	154,615,917.47	-28.64	-23.21	-15.45	Decreased by 11.81 percentage points
Intelligent transportation and safe city	1,200,650,168.21	891,871,077.94	25.72	-1.87	-2.41	Increased by 0.42 percentage point
Green service electronics manufacturing	1,137,254,245.37	1,053,537,044.39	7.36	-7.73	-5.69	Decreased by 2.01 percentage points

Principal operations by products

By product	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 (%)
Intelligent factories and systems	81,344,266.59	106,522,678.33	-30.95	-27.05	-12.44	Decreased by 21.84 percentage points
Core components of smart manufacturing	38,852,521.99	48,093,239.14	-23.78	-13.72	-21.44	Increased by 12.17 percentage points
Intelligent transportation	544,995,103.03	401,729,970.83	26.29	-5.24	-6.88	Increased by 1.29 percentage points
Digital park	460,818,873.77	326,201,027.34	29.21	13.93	18.12	Decreased by 2.51 percentage points
Safe city	194,836,191.41	163,940,079.77	15.86	-20.10	-20.55	Increased by 0.48 percentage point
Electronic manufacturing services	1,137,254,245.37	1,053,537,044.39	7.36	-7.73	-5.69	Decreased by 2.01 percentage points

Principal operations by geographical regions

By geographical regions	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 (%)
Nanjing	1,888,412,051.19	1,686,464,211.00	10.69	4.33	7.85	Decreased by 2.92 percentage points
Chengdu	63,779,960.26	58,880,908.67	7.68	-20.97	-38.15	Increased by 25.64 percentage points
Shenzhen	505,909,190.71	354,678,920.13	29.89	-29.91	-36.10	Increased by 6.78 percentage points

Principal operations by sales model						
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	2,458,101,202.16	2,100,024,039.80	14.57	-5.91	-5.14	Decreased by 0.69 percentage point

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

Revenue from industrial Internet and intelligent manufacturing decreased compared to the same period last year, primarily due to intense competition in the existing intelligent manufacturing market, which led to a decline in revenue; revenue from intelligent transportation and safe city decreased compared to the same period last year, primarily because the power supply and communications businesses are in a transitional phase of restructuring, and efforts to acquire new customers fell short of expectations; revenue from green service electronics manufacturing decreased compared to the same period last year, primarily due to a decline in export orders.

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

During the reporting period, sales to the top five customers amounted to RMB828,308,200, representing 33.29% of the total sales in 2025, of which sales to connected parties amounted to RMB266,010,100, representing 10.69% of the total sales in 2025.

During the reporting period, the aggregate amount of purchase from the top five suppliers of the Company amounted to RMB239,196,200, accounting for 13.21% of the total amount of purchase made by the Company in 2025, of which purchases from connected parties amounted to RMB0, representing 0% of the total amount of purchase made by the Company in 2025.

(3) Expenses

During the reporting period, selling expenses decreased by 13.31%, mainly due to the decrease in employee remuneration of sales personnel and advertising and exhibition expenses; administrative expenses increased by 6.25%, mainly due to the increase in staff termination expenses.

(4) R&D Investment

Unit: Yuan Currency: RMB

R&D expenses for the period	215,718,706.04
Capitalized R&D expenses for the period	
Total R&D expenses	25,718,706.04
The percentage of total R&D expenses over operating income *(%)*	8.67
The percentage of capitalized R&D investment *(%)*	–
The number of R&D personnel of the Company	593
The percentage of R&D personnel over total number of staff of the Company *(%)*	25.88

Educational structure of R&D personnel

Category of educational structure	**Number of educational structure**
Doctoral candidate	4
Master degree candidate	163
Undergraduate	368
Junior college	56
High School and below	2

Age structure of R&D personnel

Category of age structure	**Number of age structure**
Under 30 years old (excluding 30 years old)	174
30–40 years old (including 30 years old, excluding 40 years old)	258
40–50 years old (including 40 years old, excluding 50 years old)	109
50–60 years old (including 50 years old, excluding 60 years old)	51
60 years old and above	1

Description:

In 2025, a cumulative total of 85 R&D projects had been advanced, of which, the special project of MIIT Industrial Internet Innovation and Development Project "Intelligent Operation and Maintenance System of Production Equipment in Key Industries Based on Industrial Internet Platform" passed project acceptance; the Ministry of Science and Technology Key R&D Program "Key Technologies for Intelligent Operation Decision-Making of Equipment Manufacturing Enterprises Supporting Dynamic Reconstruction" passed the sub-project acceptance.

(5) Cash flow

During the reporting period, the increase in net cash flows from operating activities was mainly due to the year-on-year decrease in cash paid for goods and services received during the period; the increase in net cash flows from investing activities was mainly due to the recovery of disposal proceeds from joint ventures Nanjing Ericsson Panda Communication Co., Ltd. and Beijing SE Potevio Mobile Communications Co., Ltd. during the period; and the decrease in net cash flows from financing activities was mainly due to the receipt of bill discount proceeds which had been discounted but not yet derecognized in 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
Cash and cash equivalents	1,125,211,947.94	20.58	757,643,131.44	14.24	48.51	Mainly due to the recovery of proceeds from the disposal of equity in an associate during the current period
Notes receivable	49,848,486.38	0.91	98,477,213.49	1.85	-49.38	Mainly due to a decrease in commercial acceptance bills receivable at the end of the period
Accounts receivable financing	47,523,811.39	0.87	30,350,019.89	0.57	56.59	Mainly due to an increase in bank acceptance bills receivable at the end of the period
Prepayments	56,253,122.50	1.03	27,410,781.74	0.52	105.22	Mainly due to an increase in prepayments for materials
Non-current assets due within one year		-	730,582.81	0.01	-100.00	Mainly due to a decrease in warranty deposits due within one year
Construction in progress	778,720.32	0.01	1,506,311.96	0.03	-48.30	Mainly due to the transfer of construction-in-progress from the beginning of the period to fixed assets during the current period
Right-of-use assets	5,161,461.31	0.09	8,464,815.42	0.16	-39.02	Mainly due to the depreciation of right-of-use assets recognized during the current period
Deferred expenses	11,192,577.90	0.20	16,398,879.07	0.31	-31.75	Mainly due to the amortization of deferred expenses recognized during the current period
Short-term borrowings		-	42,326,327.88	0.80	-100.00	Mainly due to the maturity of discounted notes that had not been derecognized as of the end of the previous period
Contract liabilities	148,777,425.69	2.72	108,769,990.54	2.04	36.78	Mainly due to an increase in advance payments received from customers
Advances received	48,628.60	0.00	468,971.75	0.01	-89.63	Mainly due to advance rent received
Lease liabilities	2,633,805.93	0.05	4,628,222.00	0.09	-43.09	Mainly due to lease payments made during the current year
Long-term employee benefits payable	2,292,859.18	0.04	4,200,641.03	0.08	-45.42	Mainly due to the reclassification of long-term employee benefits payable within one year to short-term employee benefits payable
Provisions		-	1,800,000.00	0.03	-100.00	Mainly due to a decrease in product quality guarantees

1.3 Disposal of material assets and equity interests

On 19 June 2025, the Company convened an extraordinary meeting of the 11th session of the Board, which considered and approved the Proposal on the Public Listing and Transfer of Equity Interests in Investee Companies, and agreed to publicly list and transfer the 27% equity interest held by the Company in Nanjing Ericsson Panda Communication Co., Ltd. (ENC) (the "**Target Equity Interest**") through Shanghai United Assets and Equity Exchange Co., Ltd. ("**Shanghai United Assets and Equity Exchange**"). The Target Equity Interest to be transferred this time will be publicly listed together with the 22% equity interest in ENC held by other Chinese shareholders of ENC. On 30 July 2025, the Company convened the first extraordinary general meeting of 2025, which considered and approved the matter regarding the public listing and transfer of equity interests in investee companies; and authorised the management of the Company to organise and implement the transaction and handle specific matters related thereto.

On 26 September 2025, the Company received a notice from Shanghai United Assets and Equity Exchange that, in accordance with its trading rules, the transferee of the 49% equity interest in ENC was determined to be Ericsson (China) Co., Ltd. ("**Ericsson (China)**"). On 29 September 2025, the Company and other Chinese shareholders of ENC entered into the Equity Transaction Contract with Ericsson (China). The transaction price for the 49% equity interest in ENC was RMB465 million, and the corresponding value of the 27% equity interest in ENC held by the Company was RMB256,224,500. On 10 October 2025, Shanghai United Assets and Equity Exchange received the full equity transaction consideration of RMB465 million from Ericsson (China) for the transfer of the 49% equity interest in ENC. On 14 October 2025, the Company received the equity transaction certificate issued by Shanghai United Assets and Equity Exchange. On 30 October 2025, ENC completed the industrial and commercial registration procedures for change, and the Company and other Chinese shareholders of ENC no longer held any equity interest in ENC.

Upon completion of this transaction, the Company recovered approximately RMB256,224,500, which had a material impact on the current operation of the Company.

1.4 Analysis of major subsidiaries

1.4.1 Information on major subsidiaries and holding companies with net profit impact of over 10% on the Company

Unit: 0'000 Currency: RMB

Company Name	Company Type	Principal Activities	Registered Capital	Total Assets	Net Assets	Operating Income	Operating Profit	Net Profit
Electronics Equipment Company	Subsidiary	Industrial automation equipment	19,000.00	20,124.57	-26,163.38	12,464.01	-14,346.74	-14,205.07
Information Industry Company	Subsidiary	Rail transit, system integration	21,681.42	168,495.98	54,010.86	88,556.45	3,834.87	3,958.85
Electronic Manufacture Company	Subsidiary	SMT processing, injection molding	USD2,000	84,483.71	26,306.38	74,727.60	100.07	70.57
Communications Technology Company	Subsidiary	Military-civilian integration communication products	10,000.00	25,615.98	5,338.19	11,242.15	-6,153.36	-6,153.30
Shenzhen Jingwah	Subsidiary	Electronic industry, property leasing	11,507.00	62,848.47	44,715.65	50,683.48	8,512.54	6,612.02
Chengdu Electronic Technology	Subsidiary	SMT processing	5,000.00	12,480.80	10,058.20	6,707.67	5.38	6.52
LG Panda	Participating company	Development and production of fully automatic washing machines and related parts	USD3,570	399,845.30	113,649.97	744,407.00	36,836.81	27,389.04

Note: The Company holds 30% equity interest in LG Panda, and the investment income of the Company for the current year is RMB69.5986 million.

Changes in net profit of major subsidiaries are as follows:

Unit: 0'000 Currency: RMB

Subsidiary	Net profit 2025	2024	Change (%)
Electronics Equipment Company	**-14,205.07**	-12,305.20	N/A
Information Industry Company	**3,958.85**	3,685.97	7.40%
Electronic Manufacture Company	**70.57**	2,083.18	-96.61%
Communications Technology Company	**-6,153.30**	-6,892.62	N/A
Shenzhen Jingwah	**6,612.02**	7,551.95	-12.45%
Chengdu Electronic Technology	**6.52**	-2,002.99	N/A

Description of changes:

Electronics Equipment Company suffered a year-on-year increase in loss due to an increase in credit impairment losses and asset impairment losses; Information Industry Company recorded a year-on-year increase of 7.40% in net profit, mainly due to a year-on-year increase in gross profit margin of rail transit projects; Electronics Manufacturing Company recorded a year-on-year decrease of 96.61% in net profit, mainly due to a year-on-year decrease in gross profit margin from its processing business; Communications Technology Company recorded a year-on-year decrease in loss, mainly due to a year-on-year increase in gross profit margin of communications products; Chengdu Electronic Technology recorded a significant year-on-year increase in net profit, mainly due to a reduction in expenses and an increase in processing business year on year.

1.4.2 Acquisition and disposal of subsidiaries during the reporting period

Company Name	Method of Acquisition/Disposal of Subsidiaries During the Reporting Period	Impact on Overall Production, Operation and Performance
Nanjing Panda Electromechanical Manufacturing Co., Ltd.	Merger by absorption	No impact
Shenzhen Jingyu Electronics Co., Ltd.	Merger by absorption	No impact

1.4.3 Other Explanations

In 2025, the Company focused on the development of its three core businesses. In accordance with the relevant documents of the State-owned Assets Supervision and Administration Commission of the State Council and based on the actual situation of the Company, the Board of Directors reviewed and approved the merger by absorption of 2 subsidiaries and sub-subsidiaries (Nanjing Panda Electronics Equipment Co., Ltd. merged Nanjing Panda Electromechanical Manufacturing Co., Ltd. by absorption, and Shenzhen Jingwah Electronics Co., Ltd. merged Shenzhen Jingyu Electronics Co., Ltd. by absorption).

In addition, the Company implemented the liquidation and deregistration of 2 participating companies (Shenzhen Chebao Information Technology Co., Ltd. and Beijing SE Potevio Mobile Communications Co., Ltd.), which increased the total profit of the Company's consolidated financial statements by approximately RMB11.03 million in aggregate. With the approval and filing of the state-owned assets regulatory authority and the review and approval of the Board of Directors and the Shareholders' General Meeting, the Company completed the public transfer of its 27% equity interest in Nanjing Ericsson Panda Communication Co., Ltd., recovering approximately RMB256.2245 million, which had a significant impact on the current period operation of the Company.

Such integration of subsidiaries and adjustment of equity disposal have further reduced the enterprise hierarchy, integrated resource allocation, optimized the industrial structure, and improved the development quality and operational efficiency of the Company.

1.5 2026 operating plan

The operating targets of the Company in 2026 are to achieve an operating income of RMB3.1 billion and total profit of RMB80,000,000. Based on the overall macroeconomic 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 is subject to various uncertainties, but will uphold a pragmatic working style, insist on making progress while maintaining stability, and strive to achieve its operating targets.

2026 marks the first year of the Company's implementation of the 15th Five-Year Plan and a crucial year for deepening reform and innovation and advancing high-quality development. In accordance with the work requirements of the higher-level Party Committee and the Board, the Company will focus on its core business of digital and intelligent equipment, take the continuous deepening of reform as the main operating line, concentrate on improving quality and efficiency, strengthen innovation-driven development, promote the improvement of corporate governance efficiency and core functions, and fully strive to create a new situation for the high-quality development of the Company during the 15th Five-Year Plan period.

1.6 Profit distribution proposal for 2025

At the 8th meeting of the 11th session of the Board of the Company held on 27 March 2026, the Resolution in relation to the "2025 Profit Distribution Plan of the Company" was considered and approved. After audit, the net profit of the Company attributable to shareholders of the listed company for the year 2025 amounted to RMB10,731,710.09. The undistributed profit in the parent company's financial statements as at the end of the period amounted to RMB303,372,560. In accordance with the relevant provisions of "Supervisory Guideline for Listed Companies No. 3 – Cash Dividends for Listed Companies" and the "Listing Rules of the Shanghai Stock Exchange", the Company has formulated the 2025 profit distribution plan as follows: It is proposed that based on the total share capital of 913,838,529 shares as of 31 December 2025, a cash dividend of RMB0.10 per 10 shares (tax inclusive) shall be distributed to all shareholders, with the total cash dividend to be distributed amounting to RMB9,138,385.29 (tax inclusive). The remaining amount shall be carried forward to the next year. The Company does not implement capital reserve conversion into share capital. The plan is subject to the consideration and approval of the shareholders' meeting.

1.7 Appointment and dismissal of accounting firms

WUYIGE Certified Public Accountants LLP served as the Company's international auditor, PRC auditor and internal control auditor for the years 2023 and 2024.

In 2025, the Resolution on the Appointment of the Accounting Firm for 2025 was considered and approved at the 4th meeting of the eleventh session of the Board, proposing to re-appoint WUYIGE Certified Public Accountants LLP as the Company's international auditor, PRC auditor and internal control auditor for the year 2025, determining its remuneration within the limit of RMB2,480,000, and agreeing to submit the above for consideration at the Company's 2024 annual general meeting. The Audit and Risk Management Committee of the Board, having considered factors such as the years of practice, professional experience, number of practitioners, institutional scale and the quantity of listed companies served by WUYIGE Certified Public Accountants LLP, as well as the integrity and independence of the partners and certified public accountants of WUYIGE Certified Public Accountants LLP who are to provide audit services to the Company, is of the opinion that WUYIGE Certified Public Accountants LLP has the capability and experience to provide audit services for listed companies and is able to meet the audit requirements for the Company's financial statements and internal control. The re-appointment of WUYIGE Certified Public Accountants LLP as the Company's international auditor, PRC auditor and internal control auditor for the year 2025 was considered and approved at the Company's 2024 annual general meeting, and its remuneration was 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 28 March 2025 and 21 June 2025 and on the website of the Hong Kong Stock Exchange on 27 March 2025 and 20 June 2025.

1.8 Tax policies

Particulars of tax preference enjoyed by the Company and its subsidiaries as at 31 December 2025 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.

1.9 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 accordance with 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.

1.10 Liability insurance for its directors and senior management

During the reporting period, the Company purchased liability insurance for its directors 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.

1.11 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 37.69%, RMB2.024 billion, 1.99 and 1.74, respectively as at 31 December 2025 as shown in the consolidated financial statements of the Company.

Cash: as at 31 December 2025, bank balances and cash amounted to RMB1.125 billion as shown in the consolidated financial statements of the Company.

Loans: short-term bank loans and other loans amounted to RMB0 million as at 31 December 2025 as shown in the consolidated financial statements of the Company.

As of 22 December 2025, the LPR for 1 year was 3.0%, and the LPR for more than 5 years was 3.5%;; as of 20 March 2026, the LPR for 1 year was 3.0%, and the LPR for more than 5 years was 3.5%. 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		250,000.00	250,000.00	3,765,011.31	-215,308.46	3,549,702.85
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 Panda Handa Technology Co., Ltd.	Subsidiary owned by shareholders	–				415,148.84	415,148.84
CEC Herui Technology Co., Ltd.	Subsidiary owned by shareholders		–			20,000.00	20,000.00
Nanjing China Electronics Panda Lighting Co., Ltd.	Subsidiary owned by shareholders		–		10,000.00	-10,000.00	
TPV Audio and Visual Technology (Shenzhen) Co., Ltd	Subsidiary owned by shareholders		50,000.00	50,000.00			
Total		–	300,000.00	**300,000.00**	13,799,636.31	-4,784.62	13,794,851.69

(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 to the Listing Rules. Following a standardized written inquiry from the Company, the directors of the Company have adopted and complied with the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in the Appendix 10 of the Hong Kong Stock Exchange.

(5) Audit and Risk Management Committee

The Company has set up an Audit and Risk Management Committee in compliance with the requirements of Rule 3.21 of the Listing Rules. The Audit and Risk Management Committee has reviewed the interim financial report for 2025 and the audited financial report for 2025.

(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, 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猫電子股份有限公司、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 2025

(Unit: RMB)

Items	Closing balance	Open balance
Current assets:		
Cash and cash equivalents	**1,125,211,947.94**	757,643,131.44
Financial assets held for trading	**498,123,487.68**	491,594,758.95
Derivative financial assets		
Notes receivable	**49,848,486.38**	98,477,213.49
Accounts receivable	**1,415,199,698.55**	1,407,009,242.46
Receivables financing	**47,523,811.39**	30,350,019.89
Advance to suppliers	**56,253,122.50**	27,410,781.74
Other receivables	**29,536,989.28**	36,680,080.03
Including: Interest receivable		
Dividend receivable		
Inventories	**453,948,539.45**	487,807,239.73
Including: data resource		
Contract assets	**137,569,961.40**	144,611,505.52
Held-for-sale assets		
Non-current assets due within one year		730,582.81
Other current assets	**218,855,357.37**	248,086,578.12
Total current assets	**4,032,071,401.94**	3,730,401,134.18

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	**410,747,201.71**	492,989,930.44
Other equity instruments investments		
Other non-current financial assets		
Investment properties	**175,813,376.51**	182,988,535.58
Fixed assets	**726,563,745.18**	764,716,893.66
Construction in progress	**778,720.32**	1,506,311.96
Biological assets for production		
Fuel assets		
Right-of-use assets	**5,161,461.31**	8,464,815.42
Intangible assets	**83,924,063.96**	98,469,809.17
Including: data resource		
Development expenses		
Including: data resource		
Goodwill		
Long-term expenses to be amortised	**11,192,577.90**	16,398,879.07
Deferred income tax assets	**21,554,290.72**	19,542,269.84
Other non-current assets	**245,092.90**	5,329,316.34
Total non-current assets	**1,435,980,530.51**	1,590,406,761.48
Total assets	**5,468,051,932.45**	5,320,807,895.66

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings		42,326,327.88
Borrowings from central bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Note payables	**106,090,889.23**	110,289,431.12
Accounts payable	**1,467,773,842.89**	1,328,218,690.98
Advance receipts from customers	**48,628.60**	468,971.75
Contract liabilities	**148,777,425.69**	108,769,990.54
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	**75,405,260.59**	59,341,157.51
Taxes payable	**43,628,898.51**	39,829,425.41
Other payables	**107,017,466.74**	103,658,239.63
Including: Interest payable		
Dividends payable	**38,108,810.84**	13,111,074.34
Bank charges and commissions due		
Reinsurers due		
Liabilities held for sale		
Non-current liabilities due within one year	**5,039,511.36**	5,848,681.83
Other current liabilities	**70,148,816.03**	84,356,494.83
Total current liabilities	**2,023,930,739.64**	1,883,107,411.48

Items	Closing balance	Opening balance
Non-current liabilities:		
Insurance contract reserves		
Long-term payables		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	**2,633,805.93**	4,628,222.00
Long-term payables		
Long-term staff salaries payables	**2,292,859.18**	4,200,641.03
Estimated liabilities		1,800,000.00
Deferred income	**26,260,990.36**	32,419,676.43
Deferred income tax liabilities	**5,624,137.33**	5,032,799.89
Other non-current liabilities		
Total non-current liabilities	**36,811,792.80**	48,081,339.35
Total liabilities	**2,060,742,532.44**	1,931,188,750.83

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	**1,470,247,737.78**	1,470,691,800.13
Less: Treasury shares		
Other comprehensive income		
Special reserve		275,607.10
Surplus reserve	**330,561,591.05**	309,500,586.70
General preparation		
Undistributed profit	**409,658,830.41**	419,988,124.67
Total equity attributable to the shareholders of the parent company	**3,124,306,688.24**	3,114,294,647.60
Minority interests	**283,002,711.77**	275,324,497.23
Total owners' equity	**3,407,309,400.01**	3,389,619,144.83
Total liabilities and owners' equity	**5,468,051,932.45**	5,320,807,895.66

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 2025

(Unit: RMB)

Items	Closing balance	Opening balance
Current assets:		
Cash and cash equivalents	**275,027,400.31**	64,793,248.82
Financial assets held for trading	**316,694,760.28**	200,541,369.86
Derivative financial assets		
Notes receivables	**5,141,417.09**	2,590,000.00
Accounts receivable	**110,936,663.17**	138,188,127.19
Financing receivables	**3,647,170.50**	
Prepayments	**4,547,114.23**	4,353,935.87
Other receivables	**643,456,435.17**	692,726,057.21
Including: Interest receivable		
Dividend receivable	**257,814,655.75**	377,960,335.78
Inventories	**8,619,100.75**	26,990,640.02
Including: data resource		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	**43,545,026.26**	32,642,794.52
Total current assets	**1,411,615,087.76**	1,162,826,173.49

Items	Closing balance	Opening balance
Non-current assets:		
Debenture investments		
Other debenture investments		
Long-term receivables		
Long-term equity investments	**1,149,785,323.06**	1,106,475,911.13
Other equity instruments investments		
Other non-current financial assets		
Investment properties	**373,619,047.49**	492,600,160.79
Fixed assets	**325,197,783.62**	239,179,849.73
Construction in progress	**74,716.96**	746,173.91
Biological assets for production		
Fuel assets		
Right-of-use assets		
Intangible assets	**64,677,382.27**	66,640,489.07
Including: data resource		
Development expenses		
Including: data resource		
Goodwill		
Long-term deferred expense	**9,486,681.22**	14,483,614.99
Deferred tax assets		
Other non-current assets		
Total non-current assets	**1,922,840,934.62**	1,920,126,199.62
Total assets	**3,334,456,022.38**	3,082,952,373.11

Legal representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Hu Huichun	**Hu Shoujun**	**Xue Gang**

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Derivative financial liabilities		
Note payables	**1,889,925.69**	24,619,303.68
Accounts payable	**52,472,686.99**	32,835,566.90
Advance receipts from customers		414,114.61
Contract liabilities	**200,976.74**	168,817.60
Staff salaries payable	**11,971,595.77**	1,800,302.98
Taxes payable	**12,100,830.01**	10,954,216.58
Other payables	**224,714,190.15**	193,360,406.83
Including: Interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	**8,303,159.13**	6,389,314.73
Total current liabilities	**311,653,364.48**	270,542,043.91
Non-current liabilities:		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term staff salaries payable	**409,048.41**	606,390.93
Accrued liabilities		
Deferred income		
Deferred income tax liabilities	**423,690.07**	
Other non-current liabilities		
Total non-current liabilities	**832,738.48**	606,390.93
Total liabilities	**312,486,102.96**	271,148,434.84

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	**1,474,197,239.37**	1,474,641,301.72
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	**330,561,591.05**	309,500,586.70
Undistributed profits	**303,372,560.00**	113,823,520.85
Total owners' equity	**3,021,969,919.42**	2,811,803,938.27
Total liabilities and owners' equity	**3,334,456,022.38**	3,082,952,373.11

Legal representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Hu Huichun	**Hu Shoujun**	**Xue Gang**

Consolidated Income Statement
Prepared by: Nanjing Panda Electronics Company Limited
The Year 2025

(Unit: RMB)

Items	Amount for the current period	Amount for the previous period
1. Total revenue	**2,487,905,161.86**	2,645,884,960.86
Including: Operating income	**2,487,905,161.86**	2,645,884,960.86
Interest income		
Premiums earned		
Fee and commission income		
2. Total operating cost	**2,683,845,702.53**	2,822,054,026.19
Including: Operating costs	**2,110,452,090.16**	2,220,744,587.45
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	**23,066,710.75**	22,876,449.26
Selling expenses	**39,265,266.28**	45,292,628.32
Administrative expenses	**300,732,240.07**	283,038,723.68
R&D costs	**215,718,706.04**	262,177,873.98
Financial expenses	**-5,389,310.77**	-12,076,236.50
Including: Interest expense	**334,379.03**	506,758.31
Interest income	**6,953,972.44**	11,139,368.49

Items	**Amount for the current period**	Amount for the previous period
Add: Other gains	**22,853,139.53**	24,877,109.00
Investment income (losses are represented by “-”)	**349,929,425.74**	96,152,132.69
Including: Investment income of associates and joint ventures	**69,367,758.08**	83,013,136.15
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 “-”)	**8,562,187.34**	4,914,915.97
Credit impairment loss (losses are represented by “-”)	**-36,517,369.96**	-27,310,416.22
Asset impairment loss (losses are represented by “-”)	**-80,532,601.62**	-46,693,274.64
Gains on disposal of assets (losses are represented by “-”)	**-247,757.88**	8,373.69
3. Operating profit (losses are represented by “-”)	**68,106,482.48**	-124,220,224.84
Add: Non-operating income	**3,236,839.97**	987,777.94
Less: Non-operating expenses	**967,002.63**	1,389,551.26
4. Total profit (total losses are represented by “-”)	**70,376,319.82**	-124,621,998.16
Less: Income tax expense	**19,368,658.69**	16,810,838.46

Items	**Amount for the current period**	Amount for the previous period
5. Net profit (net losses are represented by "-")	**51,007,661.13**	-141,432,836.62
(1) Classified by the business continuity		
1. Net profit for going concern (net losses are represented by "-")	**78,550,233.25**	-117,890,092.62
2. Net profit for discontinued operation (net losses are represented by "-")	**-27,542,572.12**	-23,542,744.00
(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 "-")	**10,731,710.09**	-188,854,556.25
2. Minority interests (net losses are represented by "-")	**40,275,951.04**	47,421,719.63
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	**51,007,661.13**	-141,432,836.62
(1) Total comprehensive income attributable to the equity shareholders of the parent company	**10,731,710.09**	-188,854,556.25
(2) Total comprehensive income attributable to minority shareholders	**40,275,951.04**	47,421,719.63
8. Earnings per share		
(1) Basic earnings per share *(RMB/share)*	**0.0117**	-0.2067
(2) Diluted earnings per share *(RMB/share)*	**0.0117**	-0.2067

Legal representative:	*Chief Accountant:*	*Head of the Accounting Department:*
Hu Huichun	**Hu Shoujun**	**Xue Gang**

Parent Company Income Statement
Prepared by: Nanjing Panda Electronics Company Limited
The Year 2025

(Unit: RMB)

Items	**Amount for the current period**	Amount for the previous period
1. Operating income	**100,230,873.57**	138,659,789.00
Less: Operating costs	**67,298,018.44**	82,612,299.17
Business taxes and surcharge	**11,042,256.36**	12,068,608.50
Selling expenses	**2,568,959.76**	4,239,244.64
Administrative expenses	**138,188,515.21**	129,759,853.15
R&D costs	**75,521,376.78**	57,505,257.94
Financial expenses	**776,707.10**	-1,844,362.87
Including: Interest expense		
Interest income	**687,608.19**	930,713.39
Add: Other incomes	**268,668.25**	322,281.69
Investment income (losses are represented by "-")	**403,146,839.61**	108,835,256.81
Including: Investment income of associates and joint ventures	**69,598,597.80**	83,122,640.63
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 "-")	**4,718,187.67**	1,756,972.61
Credit impairment loss (losses are represented by "-")	**8,242,926.01**	-3,289,243.53
Assets impairment loss (losses are represented by "-")	**-10,025,505.57**	-192,118,179.69
Gains on disposal of assets (losses are represented by "-")	**-311,614.43**	-13,197.01

Items	**Amount for the current period**	Amount for the previous period
2. Operating profit (losses are represented by "-")	**210,874,541.46**	-230,187,220.65
Add: Non-operating income	**219,996.26**	72,506.05
Less: Non-operating expenses	**60,804.15**	25,016.44
3. Total profit (total losses are represented by "-")	**211,033,733.57**	-230,139,731.04
Less: Income tax expense	**423,690.07**	-19,299.38
4. Net profit (net losses are represented by "-")	**210,610,043.50**	-230,120,431.66
(1) Net profit for going concern (net losses are represented by "-")	**210,610,043.50**	-230,120,431.66
(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	**210,610,043.50**	-230,120,431.66
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 2025

(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	**2,614,120,090.14**	2,616,144,085.49
	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	**23,541,213.43**	42,241,798.52
	Cash received relating to other operating activities	**101,675,479.21**	118,386,346.90
	Sub-total of cash inflows from operating activities	**2,739,336,782.78**	2,776,772,230.91
	Cash paid on purchase of goods and services received	**1,822,162,102.06**	2,115,721,742.07
	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		

Items	**Amount for the current period**	Amount for the previous period
Cash paid to and on behalf of employees	**628,534,648.96**	649,219,453.53
Cash paid for all types of taxes	**104,962,742.19**	103,357,352.36
Cash paid relating to other operating activities	**181,028,621.63**	173,748,417.06
Sub-total of cash outflows from operating activities	**2,736,688,114.84**	3,042,046,965.02
Net cash flows generated from operating activities	**2,648,667.94**	-265,274,734.11
2. Cash flows from investing activities		
Cash received from return on investments	**331,132,842.29**	
Cash received from income from investments	**98,959,248.71**	73,363,087.37
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	**627,952.24**	921,967.06
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investing activities	**1,203,255,428.92**	1,521,697,800.00
Sub-total of cash inflows from investing activities	**1,633,975,472.16**	1,595,982,854.43
Cash paid on purchase of fixed assets, intangible assets and other long-term assets	**47,117,356.13**	37,814,435.53
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	**1,174,180,000.00**	1,455,255,428.92
Sub-total of cash outflows from investing activities	**1,221,297,356.13**	1,493,069,864.45
Net cash flows generated from investing activities	**412,678,116.03**	102,912,989.98

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
Sub-total of cash inflows from financing activities		73,431,628.73
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interest expenses	**7,600,000.00**	38,084,461.70
Including: bonus and profit paid to minority shareholders by subsidiaries	**7,600,000.00**	38,084,461.70
Cash paid relating to other financing activities	**2,426,609.00**	5,072,863.60
Sub-total of cash outflows from financing activities	**10,026,609.00**	43,157,325.30
Net cash flows generated from financing activities	**-10,026,609.00**	30,274,303.43
4. Effect of fluctuations in exchange rate on cash and cash equivalents	**235,080.41**	189,794.31
5. Net increase in cash and cash equivalents	**405,535,255.38**	-131,897,646.39
Add: balance of cash and cash equivalents at the beginning of the period	**666,522,106.70**	798,419,753.09
6. Balance of cash and cash equivalents at the end of the period	**1,072,057,362.08**	666,522,106.70

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

Head of the Accounting Department:
Xue Gang

Parent Company Cash Flow Statement
Prepared by: Nanjing Panda Electronics Company Limited
The Year 2025

(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	**150,226,438.71**	163,142,185.25
	Refunds of taxes	**1,192,175.36**	1,900,790.70
	Cash received relating to other operating activities	**19,713,285.09**	25,334,190.70
	Sub-total of cash inflows from operating activities	**171,131,899.16**	190,377,166.65
	Cash paid on purchase of goods and services received	**76,669,548.83**	68,279,483.06
	Cash paid to and on behalf of employees	**110,390,286.85**	108,105,120.86
	Cash paid for all types of taxes	**11,216,158.50**	17,788,519.21
	Cash paid relating to other operating activities	**64,237,219.87**	56,361,501.29
	Sub-total of cash outflows from operating activities	**262,513,214.05**	250,534,624.42
	Net cash flows generated from operating activities	**-91,381,314.89**	-60,157,457.77
2.	**Cash flows from investing activities**		
	Cash received from disposal and returns of investments	**330,812,595.63**	
	Cash received from return on investments	**277,729,891.94**	130,745,298.17
	Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	**34,980.00**	8,000.00
	Net cash received from disposal of subsidiaries and other operating entities		
	Cash received relating to other investing activities	**1,052,662,671.23**	421,000,000.00
	Sub-total of cash inflows from investing activities	**1,661,240,138.80**	551,753,298.17
	Cash paid on purchase of fixed assets, intangible assets and other long-term assets	**5,350,488.30**	11,180,573.33
	Cash paid for investments	**125,000,000.00**	

Items	**Amount for the current period**	Amount for the previous period
Net cash paid on acquisition of subsidiaries and other operating entities		
Cash paid relating to other investing activities	**1,265,332,642.57**	571,282,671.23
Sub-total of cash outflows from investing activities	**1,395,683,130.87**	582,463,244.56
Net cash flows generated from operating activities	**265,557,007.93**	-30,709,946.39
3. Cash flows from financing activities		
Cash received from investment		
Cash received from borrowings		
Cash received relating to other financing activities	**90,000,000.00**	414,000,000.00
Sub-total of cash inflows from financing activities	**90,000,000.00**	414,000,000.00
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interests expenses		
Cash paid on other financing activities	**50,000,000.00**	364,000,000.00
Sub-total of cash outflows from financing activities	**50,000,000.00**	364,000,000.00
Net cash flows from financing activities	**40,000,000.00**	50,000,000.00
4. Effect of fluctuations in exchange rates on cash and cash equivalents	**-134.69**	96.88
5. Net increase in cash and cash equivalents	**214,175,558.35**	-40,867,307.28
Add: balance of cash and cash equivalents at the beginning of the period	**60,473,856.82**	101,341,164.10
6. Balance of cash and cash equivalents at the end of the period	**274,649,415.17**	60,473,856.82

Legal representative: **Hu Huichun**

Chief Accountant: **Hu Shoujun**

Head of the Accounting Department: **Xue Gang**

Consolidated Statement of Changes in Shareholders' Equity

Prepared by: Nanjing Panda Electronics Company Limited

The Year 2025

(Unit: RMB)

Items	Current period														
	Equity attributable to the owners of parent company														
		Other equity instrument													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
I. Balance at the end of prior year	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	275,324,497.23	3,389,619,144.83
Add: Changes in accounting policies															
Error correction of previous period															
Others															
II. Balance at the beginning of current year	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	275,324,497.23	3,389,619,144.83
III. Changes of current year (decreases are represented by "-")					-444,062.35			-275,607.10	21,061,004.35		-10,329,294.26		10,012,040.64	7,678,214.54	17,690,255.18
(I) Total comprehensive income											10,731,710.09		10,731,710.09	40,275,951.04	51,007,661.13
(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														
	Equity attributable to the owners of parent company														
		Other equity instrument													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
(III) Profit distribution									21,061,004.35		-21,061,004.35			-32,597,736.50	-32,597,736.50
1. Appropriation of surplus reserve									21,061,004.35		-21,061,004.35				
2. Appropriation of general risk reserve															
3. Appropriation of profit to owners														-32,597,736.50	-32,597,736.50
4. 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															

(Unit: RMB)

Items	Current period														
	Equity attributable to the owners of parent company														
		Other equity instrument													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
(V) Special reserve								-275,607.10					-275,607.10		-275,607.10
1. Appropriation for the current period								475,687.88					475,687.88		475,687.88
2. Application for the current period								751,294.98					751,294.98		751,294.98
(VI) Others					-444,062.35								-444,062.35		-444,062.35
IV. Balance at the end of current period	913,838,529.00	–	–	–	1,470,247,737.78	–	–	–	330,561,591.05	–	409,658,830.41	–	3,124,306,688.24	283,002,711.77	3,407,309,400.01

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													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
I. Balance at the end of prior year	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
Add: Changes in accounting policies															
Error correction of previous period															
Others															
II. Balance at the beginning of current year	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
III. Changes of current year (decreases are represented by "-")								-86,788.39			-188,854,556.25		-188,941,344.64	1,523,983.13	-187,417,361.51
(I) Total comprehensive income											-188,854,556.25		-188,854,556.25	47,421,719.63	-141,432,836.62
(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															

Items	Previous period														
	Equity attributable to the owners of parent company														
		Other equity instrument													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
(III) Profit distribution														-45,897,736.50	-45,897,736.50
1. Appropriation of surplus reserve															
2. Appropriation of general risk reserve															
3. Appropriation of profit to owners														-45,897,736.50	-45,897,736.50
4. 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															

Items	Previous period														
	Equity attributable to the owners of parent company														
		Other equity instrument													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal	Minority interests	Total owners' equity
(V) Special reserve								-86,788.39					-86,788.39		-86,788.39
1. Appropriation for the current period								436,760.65					436,760.65		436,760.65
2. Application for the current period								523,549.04					523,549.04		523,549.04
(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	275,324,497.23	3,389,619,144.83

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 2025

(unit: RMB)

Items	Current Period										
		Other equity instrument									
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
I. Balance at the end of prior year	**913,838,529.00**				**1,474,641,301.72**				**309,500,586.70**	**113,823,520.85**	**2,811,803,938.27**
Add: Changes in accounting policies											
Error correction of previous period											
Others											
II. Balance at the beginning of current year	**913,838,529.00**				**1,474,641,301.72**				**309,500,586.70**	**113,823,520.85**	**2,811,803,938.27**
III. Changes of current year (decreases are represented by "-")					**-444,062.35**				**21,061,004.35**	**189,549,039.15**	**210,165,981.15**
(I) Total comprehensive income										**210,610,043.50**	**210,610,043.50**
(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										
	Share capital	Other equity instrument: Preference shares	Other equity instrument: Perpetual bonds	Other equity instrument: Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
(III) Profit distribution									21,061,004.35	-21,061,004.35	
1. Appropriation of surplus reserve									21,061,004.35	-21,061,004.35	
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					-444,062.35						-444,062.35
IV. Balance at the end of current period	**913,838,529.00**				**1,474,197,239.37**				**330,561,591.05**	**303,372,560.00**	**3,021,969,919.42**

Legal representative:
Hu Huichun

Chief Accountant:
Hu Shoujun

Head of the Accounting Department:
Xue Gang

	Previous period										
		Other equity instrument									
Items	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
I. Balance at the end of prior year	913,838,529.00				1,474,641,301.72				309,500,586.70	343,943,952.51	3,041,924,369.93
Add: Changes in accounting policies											
Error correction of previous period											
Others											
II. Balance at the beginning of current year	913,838,529.00				1,474,641,301.72				309,500,586.70	343,943,952.51	3,041,924,369.93
III. Changes of current year (decreases are represented by "-")										-230,120,431.66	-230,120,431.66
(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											
(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											

Items	Previous period										
		Other equity instrument									
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
(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				1,474,641,301.72				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

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

The Company has three reportable segments, "Smart transportation and Safe city", "Green service-oriented electronic manufacturing", and "Industrial Internet and intelligent manufacturing", in consistence with the corporate governance structure, management requirements and internal reporting system. The segments are managed separately as each segment offers different products and services, operates in different geographical regions, and requires different information technology systems and marketing strategies. The management reviews the operation performance on a regular basis and then allocate resources to various lines of business.

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.

The geographical location of the non-current assets is based on the physical location of the asset. The non-current assets in the Company are located in the Chinese mainland.

The following tables set out the segment information for the year ended 31 December 2025 and the year ended 31 December 2024.

For the year ending 31 December 2025

Currency: RMB yuan

	Smart Transportation and Safe city	Green Service-oriented Electronic Manufacturing	Industrial Internet and Intelligent Manufacturing	Offsetting	Total
Revenue	1,263,262,462.28	1,214,172,227.86	124,640,127.26	-114,169,655.54	2,487,905,161.86
Investment income	69,367,758.08				69,367,758.08
Assets impairment losses	-49,683,537.07	-9,278,650.64	-21,570,413.91		-80,532,601.62
Credit impairment losses	-16,979,140.83	108,616.41	-19,646,845.54		-36,517,369.96
Depreciation and Amortization	56,856,431.61	30,740,771.47	18,055,228.13	-2,105,788.24	103,546,642.97
Total profit (Total loss)	189,879,981.02	20,441,293.93	-142,050,743.37	2,105,788.24	70,376,319.82
Income tax expenses	15,028,063.86	4,341,826.85		-1,232.02	19,368,658.69
Net profit (Net loss)	174,851,917.16	16,099,467.08	-142,050,743.37	2,107,020.26	51,007,661.13
Total Assets	4,854,020,415.41	1,205,712,516.46	201,245,721.72	-792,926,721.14	5,468,051,932.45
Total Liabilities	1,476,702,907.29	684,058,012.50	462,879,543.81	-562,897,931.16	2,060,742,532.44
Long-term equity investments	410,747,201.71				410,747,201.71
Increase in other non-current assets except long-term equity investments	-47,961,784.78	4,776,778.05	-30,691,358.52	1,692,863.01	-72,183,502.24

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	83,013,136.15				83,013,136.15
Assets impairment losses	-27,671,456.26	-4,267,036.71	-14,802,512.88	47,731.21	-46,693,274.64
Credit impairment losses	-21,211,596.34	-599,522.01	-5,499,297.87		-27,310,416.22
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		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	492,989,930.44				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

4. ACCOUNTS RECEIVABLE

4.1. Accounts receivable by aging

Aging	**31 December 2025**	31 December 2024
Within 1 year	**1,009,128,328.81**	1,058,676,684.09
Including：0-6 months	**828,205,040.64**	834,046,420.47
7-12 months	**180,923,288.17**	224,630,263.62
1-2 years	**256,485,579.67**	224,822,427.20
2-3 years	**144,102,094.86**	90,518,974.51
3-4 years	**45,598,888.30**	54,186,725.99
4-5 years	**42,486,846.63**	41,979,545.13
More than 5 years	**63,661,376.59**	46,396,005.16
Sub-total	**1,561,463,114.86**	1,516,580,362.08
Less: Allowance for credit losses	**146,263,416.31**	109,571,119.62
Total	**1,415,199,698.55**	1,407,009,242.46

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

4.2. Accounts receivable by provisioning method

	31 December 2025				
	Book Value		Allowance for credit losses		
Category	Amount	Percentage *(%)*	Amount	Expected Credit Loss Rate *(%)*	Carrying Amount
Individual assessment	**66,163,315.73**	**4.24**	**54,866,740.73**	**82.93**	**11,296,575.00**
Collective assessment	**1,495,299,799.13**	**95.76**	**91,396,675.58**	**6.11**	**1,403,903,123.55**
Including: aging group	**1,141,537,168.72**	**73.11**	**88,226,547.58**	**7.73**	**1,053,310,621.14**
Other group	**353,762,630.41**	**22.66**	**3,170,128.00**	**0.90**	**350,592,502.41**
Total	**1,561,463,114.86**	**100.00**	**146,263,416.31**	**9.37**	**1,415,199,698.55**

	31 December 2024				
	Book Value		Allowance for credit losses		
Category	Amount	Percentage	Amount	Expected Credit Loss Rate	Carrying Amount
		(%)		*(%)*	
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	319,235,577.25	21.05	3,958,727.56	1.24	315,276,849.69
Total	1,516,580,362.08	100.00	109,571,119.62	7.22	1,407,009,242.46

(1) Accounts receivable for significant individual end-of-term assessments for which bad debt provisions are made

Company name	**Book Value**	**Allowance for credit losses**	**Expected Credit Loss Rate**	**Reasons**
			(%)	
Jiangsu Jinmao Robot Technology Co., Ltd.	22,593,150.00	11,296,575.00	50	Expected to be partially unrecoverable
Nanjing Green Dot Environmental Protection Technology Co., Ltd.	13,201,320.00	13,201,320.00	100	Expected to be unrecoverable
Anhui Zaiyuan Environmental Protection Equipment Co., Ltd.	7,120,000.00	7,120,000.00	100	Expected to be 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
Total	64,242,149.42	52,945,574.42		

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

Collective assessment: Aging group

Aging	31 December 2025 Book Value	31 December 2025 Expected Loss Rate (%)	31 December 2025 Credit losses allowance	1 January 2025 Book Value	1 January 2025 Expected Loss Rate (%)	1 January 2025 Credit losses allowance
Within 1 year	**766,368,799.33**	**0.97**	**7,473,666.01**	851,408,942.18	0.83	7,110,878.56
Including：0-6 months	**616,895,479.08**			709,191,371.03		
7-12 months	**149,473,320.25**	**5.00**	**7,473,666.01**	142,217,571.15	5.00	7,110,878.56
1-2 years	**199,322,562.43**	**10.00**	**19,932,256.24**	163,641,078.03	10.00	16,364,107.79
2-3 years	**95,872,155.44**	**15.00**	**14,380,823.32**	49,005,295.10	15.00	7,350,794.26
3-4 years	**26,382,851.79**	**30.00**	**7,914,855.54**	39,276,073.88	30.00	11,782,822.16
4-5 years	**30,131,706.52**	**50.00**	**15,065,853.26**	39,426,062.71	50.00	19,713,031.36
Over 5 years	**23,459,093.21**	**100.00**	**23,459,093.21**	8,621,373.85	100.00	8,621,373.85
Total	**1,141,537,168.72**	**7.73**	**88,226,547.58**	1,151,378,825.75	6.16	70,943,007.98

Collective assessment: Others

Group Name	31 December 2025 Book Value	31 December 2025 Expected Loss Rate (%)	31 December 2025 Credit losses allowance	1 January 2025 Book Value	1 January 2025 Expected Loss Rate (%)	1 January 2025 Credit losses allowance
Related party	**353,762,630.41**	**0.90**	**3,170,128.00**	319,235,577.25	1.24	3,958,727.56
Total	**353,762,630.41**	**0.90**	**3,170,128.00**	319,235,577.25	1.24	3,958,727.56

4.3. Movements of Allowance for credit losses

Item	Balance at 1 January 2025	Changes during the year: Provision	Changes during the year: Recovery or Reversal	Changes during the year: Write-off	Changes during the year: Others	Balance at 31 December 2025
Individual assessment	34,669,384.08	20,320,959.90	99,003.25	24,600.00		54,866,740.73
Collective assessment	74,901,735.54	17,330,803.99	788,599.56	47,264.39		91,396,675.58
Total	109,571,119.62	37,651,763.89	887,602.81	71,864.39		146,263,416.31

4.4. The actual write-off amount of accounts receivable for this period is 71,864.39 yuan.

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 31/12/2025	Balance of contract assets as at 31/12/2025	Total balance of accounts receivable and contract assets as at 31/12/2025	Percentage of total accounts receivable and contract assets *(%)*	Balance of allowance for credit losses as at 31/12/2025
Nanjing Metro Group Co., Ltd.	315,403,286.73		315,403,286.73	18.44	10,903,927.43
Nanjing Panda Handa Technology Co., Ltd.	253,449,902.63		253,449,902.63	14.82	1,304,974.34
Ma'anshan Chujiang Intercity Rail Transit Co., Ltd.	56,997,698.77		56,997,698.77	3.33	1,696,176.63
Chengdu zhiyuanhui Information Technology Co., Ltd.	38,347,876.63		38,347,876.63	2.24	7,649,101.97
Nine Technology Co., Ltd.	31,990,902.13		31,990,902.13	1.87	
Total	696,189,666.89		696,189,666.89	40.70	21,554,180.37

4.6. Overdue accounts receivable at 31 December 2025

Account Receivable	Carrying amount
Current (not past due or impaired)	1,413,910,085.98
1-3 months past due	28,263,994.06
More than 3 months past due	119,289,034.82
Total	1,561,463,114.86

5. CONTRACT ASSETS

5.1. Contract assets by categories

Item	Balance at 31 December 2025 Book Value	Impairment loss	Carrying amount	Balance at the beginning of the year Book Value	Impairment loss	Carrying amount
Smart Transportation and Safe city	**149,016,884.18**	**11,446,922.78**	**137,569,961.40**	157,113,052.22	12,501,546.70	144,611,505.52
Total	**149,016,884.18**	**11,446,922.78**	**137,569,961.40**	157,113,052.22	12,501,546.70	144,611,505.52

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

Item	**Amount of change**	**Reason**
Smart Transportation and Safe city	-7,041,544.12	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 2025 Book Value	Expected loss rate *(%)*	Impairment loss	Balance at the beginning of the year Book Value	Expected loss rate *(%)*	Impairment loss
Aging group	**148,898,167.69**	**7.68**	**11,446,922.78**	157,113,052.22	7.96	12,501,546.70
Other group	**118,716.49**					
Total	**149,016,884.18**	**7.68**	**11,446,922.78**	157,113,052.22	7.96	12,501,546.70

(1) Aging group

Aging	Balance at 31 December 2025 Book Value	Impairment loss	Allowance rate (%)	Balance at 31 December 2024 Book Value	Impairment loss	Allowance rate (%)
Within 1 year	**70,343,576.72**			32,097,585.27		
Including: 0-6 months	**70,343,576.72**			32,097,585.27		
1-2 years	**6,725,317.29**	**672,531.73**	**10.00**	125,015,466.95	12,501,546.70	10.00
2-3years	**71,829,273.68**	**10,774,391.05**	**15.00**			
Total	**148,898,167.69**	**11,446,922.78**	**7.69**	157,113,052.22	12,501,546.70	7.96

(2) Other group

Group Name	Balance at 31 December 2025 Book Value	Allowance rate (%)	Impairment loss	Balance at 31 December 2024 Book Value	Allowance rate (%)	Impairment loss
Related Party Combination	**118,716.49**					
Total	**118,716.49**					

5.4. Allowance for credit losses on contract assets

Item	Balance at 1 January 2025	Provision	Changes during the year Recovery or Reversal	Write-off	Others	Balance at 31 December 2025	Reason
Provision for bad debts is made based on combinations of credit risk characteristics	**12,501,546.70**		**1,054,623.92**			11,446,922.78	Expected credit loss
Total	**12,501,546.70**		**1,054,623.92**			11,446,922.78	

6. RIGHT-OF-USE ASSETS

Item	Houses and Buildings	Machinery & Equipment	Total
I. Cost			
1. Balance as at 1 January 2025	16,704,920.38		16,704,920.38
2. Additions during the year	983,861.85		983,861.85
(1) New lease	983,861.85		983,861.85
3. Decrease during the year	5,981,369.86		5,981,369.86
(1) Lease contracts expired	5,981,369.86		5,981,369.86
4. Balance as at 31 December 2025	11,707,412.37		11,707,412.37
II. Accumulated depreciation			
1. Balance as at 1 January 2025	8,240,104.96		8,240,104.96
2. Additions during the year	4,287,215.96		4,287,215.96
(1) Provision	4,287,215.96		4,287,215.96
3. Decrease during the year	5,981,369.86		5,981,369.86
(1) Lease contracts expired	5,981,369.86		5,981,369.86
4. Balance as at 31 December 2025	6,545,951.06		6,545,951.06
III. Provision for impairment			
1. Balance as at 1 January 2025			
2. Balance as at 31 December 2025			
IV. Carrying amount			
1. Balance as at 31 December 2025	5,161,461.31		5,161,461.31
2. Balance as at 1 January 2025	8,464,815.42		8,464,815.42

7. ACCOUNTS PAYABLE

1. Accounts payable by aging

Item	**Balance as at 31 December 2025**	Balance as at 1 January 2025
Within 1 year (including 1 year)	**876,248,947.21**	987,034,107.84
1 – 2 years(including 2 year)	**367,064,200.33**	209,102,581.68
2 – 3 years(including 3 year)	**130,299,085.25**	53,611,183.43
More than 3 years	**94,161,610.10**	78,470,818.03
Total	**1,467,773,842.89**	1,328,218,690.98

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

2. Significant accounts payable aging over 1 year

Creditor	**Balance as at 31 December 2025**	Reasons
Shanghai Changhe Information Technology Co., Ltd.	**36,787,601.22**	Unsettled
Jiangsu Zhengjie Construction Labor Co., Ltd.	**24,773,296.79**	Unsettled
Nanjing Metro Resource Development Co., Ltd	**16,395,288.00**	Unsettled
北京全路通信信號研究設計院集团有限公司 Beijing Quanlu Communication and Signal Research and Design Institute Group Co., Ltd	**12,350,401.41**	Unsettled
Nanjing Kongchi Technology Co., Ltd	**11,186,891.04**	Unsettled
Nanjing Xinlei Casting Communication Technology Development Co., Ltd.	**9,948,262.84**	Unsettled
Jiangsu Zhongzhishun Technology Co., Ltd.	**9,644,275.40**	Unsettled
Nanjing Guochuang Electromechanical Engineering Co., Ltd.	**9,373,931.85**	Unsettled
Nanjing Keyong Technology Co., Ltd.	**8,907,856.07**	Unsettled
Nanjing Hongquan Electronic Technology Co., Ltd.	**7,798,502.61**	Unsettled
Total	**147,166,307.23**	

8. CONTRACT LIABILITIES

1. Classification of contract liabilities

Item	Balance as at 31 December 2025	Balance as at 1 January 2025
Smart Transportation and Safe City	**89,693,254.94**	48,867,867.30
Industrial Internet and intelligent manufacturing	**30,554,402.91**	32,359,975.83
Green service-oriented electronic manufacturing	**28,529,767.84**	27,542,147.41
Total	**148,777,425.69**	108,769,990.54

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

Item	Amount of change	Reason
Smart Transportation and Safe City	**40,825,387.64**	Advance payments from customers
Industrial Internet and intelligent manufacturing	**-1,805,572.92**	Increase in amount due to cash received

9. LEASE LIABILITIES

Item	**Balance as at 31 December 2025**	Balance as at 1 January 2025
Lease payment	**7,908,247.12**	9,303,070.75
Less: Unrealized finance expense	**234,929.83**	526,166.92
Less: Lease liabilities due within one year	**5,039,511.36**	4,148,681.83
Total	**2,633,805.93**	4,628,222.00

10. OPERATING INCOME AND OPERATING COSTS

1. Operating income and operating costs by category

	2025		2024	
Item	**Income**	**Costs**	Income	Costs
Principal activities	**2,458,101,202.16**	**2,100,024,039.80**	2,612,549,693.59	2,213,860,194.41
Other operating activities	**29,803,959.70**	**10,428,050.36**	33,335,267.27	6,884,393.04
Total	**2,487,905,161.86**	**2,110,452,090.16**	2,645,884,960.86	2,220,744,587.45

2. Operating income and operating costs business type

	2025		2024	
Item	**Income**	**Costs**	Income	Costs
Income from contracts with customer	**2,371,983,991.52**	**2,092,194,735.61**	2,530,369,540.16	2,200,675,800.12
Rental income – operating leases	**115,921,170.34**	**18,257,354.55**	115,515,420.70	20,068,787.33
Total	**2,487,905,161.86**	**2,110,452,090.16**	2,645,884,960.86	2,220,744,587.45

3. Table of Deductions from Operating Income

Item	2025	Deduction	2024	Deduction
Operating income	**2,487,905,161.86**		2,645,884,960.86	
Total amount reduced from operating income	**8,452,948.25**		6,163,863.19	
The proportion of the total amount deducted to operating income *(%)*	**0.34**	**/**	0.23	/
I. Other operating income				
1. Other business income includes: 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.	**8,452,948.25**	**Other operating income such as sales of materials,disposal income and parking fees, etc**	6,163,863.19	Other operating income such as sales of materials,disposal income and parking fees, etc
Subtotal	**8,452,948.25**		6,163,863.19	
II. Income without commercial substance				
III. Other operating income or Income without commercial substance				
Net Operating income	**2,479,452,213.61**		2,639,721,097.67	

4. Breakdown information of operating income and operating costs

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	124,640,127.26	161,495,611.59	1,127,838,135.02	907,612,324.99	1,214,172,227.86	1,106,933,316.62	-94,666,498.62	-83,846,517.59	2,371,983,991.52	2,092,194,735.61
Rental income – operating leases			135,424,327.26	29,351,069.58			-19,503,156.92	-11,093,715.03	115,921,170.34	18,257,354.55
Total	124,640,127.26	161,495,611.59	1,263,262,462.28	936,963,394.57	1,214,172,227.86	1,106,933,316.62	-114,169,655.54	-94,940,232.62	2,487,905,161.86	2,110,452,090.16
Operating region										
Nanjing	124,640,127.26	161,495,611.59	1,099,406,524.81	870,910,255.83	747,268,909.08	702,457,348.36	-54,121,849.06	-36,361,882.06	1,917,193,712.09	1,698,501,333.72
Shenzhen			163,855,937.47	66,053,138.74	402,998,323.85	345,595,059.59	-60,047,806.48	-58,578,350.56	506,806,454.84	353,069,847.77
Chengdu					63,904,994.93	58,880,908.67			63,904,994.93	58,880,908.67
Total	124,640,127.26	161,495,611.59	1,263,262,462.28	936,963,394.57	1,214,172,227.86	1,106,933,316.62	-114,169,655.54	-94,940,232.62	2,487,905,161.86	2,110,452,090.16
Recognition timing										
Point in time	124,640,127.26	161,495,611.59	926,961,259.44	638,890,782.19	1,214,172,227.86	1,106,933,316.62	-114,169,655.54	-94,940,232.62	2,151,603,959.02	1,812,379,477.78
Over time			336,301,202.84	298,072,612.38					336,301,202.84	298,072,612.38
Total	124,640,127.26	161,495,611.59	1,263,262,462.28	936,963,394.57	1,214,172,227.86	1,106,933,316.62	-114,169,655.54	-94,940,232.62	2,487,905,161.86	2,110,452,090.16

5. Performance Obligations

The Company shall recognize revenue when it satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

The Company satisfies a performance obligation over time, if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

(i) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company fulfills its obligations;

(ii) Customers are able to control the assets under construction during the company's performance process;

(iii) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

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. For performance obligation satisfied at a point in time, 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 have been transferred to the customer.

6. 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 1,067,611,100 RMB yuan (1,296,639,600 RMB yuan in Year 2024), of which the revenue expected to be recognized in the year of 2026 is 609,709,400 RMB yuan, and thereafter the Company shall recognize revenue based on the remaining performance obligations with the amount of 263,628,400 RMB in year 2027, 142,207,400 RMB yuan in 2028, 46,159,800 RMB yuan in 2029, and 5,906,100 yuan in 2030 respectively.

11. INVESTMENT INCOME

Item	2025	2024
Income from long-term equity investments under equity method	**69,367,758.08**	83,013,136.15
Investment income on disposal of financial assets held for trading	**938,075.02**	6,198,151.05
Investment income from the disposal of long-term equity investments	**267,255,603.70**	
Investment income generated from debt restructuring	**6,460,741.36**	
Income from large-denomination certificates of deposit	**5,907,247.58**	6,940,845.49
Total	**349,929,425.74**	96,152,132.69

12. INCOME TAXES

1. Details of income taxes expenses

Item	2025	2024
Current income tax	**20,789,342.13**	16,403,810.38
Deferred income tax	**-1,420,683.44**	407,028.08
Total	**19,368,658.69**	16,810,838.46

2. **Reconciliation between income tax expenses and accounting profit:**

Item	Amount
Profit before taxation	**70,376,319.82**
Income tax expenses calculated at statutory/applicable tax rates	**17,594,079.96**
Add: Effect of different tax rates applied by subsidiaries	**10,807,795.89**
Effect of adjustment for income tax in prior year	**2,325,270.72**
Tax effect of non-taxable income	**-17,341,939.52**
Tax Effect of non-deductible costs, expenses and losses	**1,374,665.18**
Effect of additional deductions for research and development expenses	**-32,600,369.27**
Tax effect of deductible temporary differences losses not recognized as deferred tax assets in prior year or unused tax losses not recognized	**-7,639,428.02**
Effect of deductible temporary differences unrecognized deferred tax assets or deductible losses in current period	**44,727,427.79**
Impact of reversing temporary differences and deductible losses for deferred tax assets previously recognized in the earlier period	**121,155.96**
Income tax expenses	**19,368,658.69**

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 Digital Technology Co., Ltd.	**15.00**
Shenzhen Jinghua Information Technology Co., Ltd.	**15.00**
Nanjing Panda Electronic Equipment 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 ("**PRC**") and the Implementation Regulations of the Enterprise Income Tax Law of the People's Republic of China, the Company and its PRC subsidiaries were subject to a 25% income tax rate.

According to Inland Revenue Ordinance of Hong Kong, the subsidiary, HongKong JWD Trading Company Limited that registered in Hongkong are charged corporate income tax 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, with income tax rate of 15%.

For those subsidiaries that are qualified as small and micro profit enterprises in PRC, the taxable income shall be reduced by 50 %, and the enterprise income tax will be paid at a rate of 20%.

13. RETURN ON EQUITY AND EARNINGS PER SHARE

			Earnings per share			
	Weighted average return on equity *(%)*		**Basic earnings per share**		**Diluted earnings per share**	
	2025	2024	**2025**	2024	**2025**	2024
Net profit attributable to the common shareholders	**0.34**	-5.89	**0.0117**	-0.2067	**0.0117**	-0.2067
Net profit attributable to the common shareholders after deducting non-recurring gain or loss	**-8.28**	-6.30	**-0.2828**	-0.2213	**-0.2828**	-0.2213

14. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Changes in significant accounting policies

No changes in accounting policies and accounting estimate.

2. Changes in significant accounting estimates

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 2026

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 and Mr. Lv Song; Independent Non-executive Directors: Ms. Xiong Yanren, Mr. Dai Keqin and Mr. Chu Wai Tsun, Baggio; and Employee Director: Mr. Yi Guofu.