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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)

SUPPLEMENTAL ANNOUNCEMENT ON PROPOSED CHANGE OF ACCOUNTING FIRM

Reference is made to the announcement of Nanjing Panda Electronics Company Limited (the "**Company**") dated 11 November 2026 in relation to the resignation of WUYIGE Certified Public Accountants LLP ("**WUYIGE**") as the audit engagement in respect of the financial statements and internal control of the Company for the year 2026 and the proposed appointment of Baker Tilly China Certified Public Accountants ("**Baker Tilly China**") as the accounting firm of the Company (the "**Announcement**") and the circular dated 13 November 2026 (the "**Circular**").

Unless otherwise stated, terms used in this supplemental announcement shall have the same meanings as those defined in the Announcement and the Circular.

Save as the information disclosed in the Announcement and the Circular, the Company hereby provides the following supplemental information for its shareholders and potential investors regarding the proposed change of accounting firm.

TIMELINE OF EVENTS LEADING TO THE PROPOSED CHANGE OF ACCOUNTING FIRM

Date	Event	Participating Parties
29 May 2026	The Company convened the 2025 annual general meeting, at which the resolution on Appointment of the Audit Firm for the Year 2026 was considered and approved, re-appointing WUYIGE as the international auditor, domestic auditor and internal control auditor of the Company for the year 2026.	The Company and its shareholders
End of September 2026	WUYIGE orally informed the Company of its intention to resign from the audit engagement for the year 2026, and notified the Company that it would cease to act as the annual financial final settlement audit firm for Nanjing Electronics Information Industrial Corporation ("**NEIIC**"), the controlling shareholder of the Company, and China Electronics Corporation("**CEC**"), the de facto controller of the Company. Such resignation was not specific to the Company alone. Accordingly, the Company commenced preparations for the research and appointment of the audit firm for the year 2026.	The Company and WUYIGE
Early to Mid-October 2026	The Company researched accounting firms with the relevant qualifications in the market and collected relevant information by searching publicly available online materials. Having comprehensively considered factors such as the comprehensive evaluation rankings issued by the Chinese Institute of Certified Public Accountants (CICPA), audit experience with central state-owned enterprises and the electronics manufacturing sector, audit experience in the annual reports of A+H share listed companies, integrity and regulatory records over the past three years, and historical cooperation with the Company for each accounting firm, three candidate firms, namely Rongcheng Certified Public Accountants (Special General Partnership), Baker Tilly China and BDO China Shu Lun Pan Certified Public Accountants LLP were proposed.	The Company and CEC

Date	Event	Participating Parties
	The Company, through NEIIC, enquired with CEC regarding WUYIGE's proposed resignation as the audit firm for the Company and CEC, and was only then informed that in accordance with the relevant provisions under the Rules on the Administration of Financial Final Accounts Audit of Central Enterprises of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and its own work arrangements, under the principle of "unified organisation, unified standards and unified management", CEC adopted the method of invitation to tender to complete the tender process for changing the financial final settlement audit firm for the year 2026, and proposed to determine Baker Tilly China as the audit firm for NEIIC and certain subsidiaries within its consolidation scope (including the Company) for the year 2026; however, internal decision-making procedures still need to be completed. Having received the aforementioned information, the Company immediately applied to CEC and obtained information including the tender documents, bid submission documents, the record of the selection of tender evaluation experts, the marking criteria, the bid opening procedure documents and the tender evaluation report. Having reviewed the aforementioned documents, the Company was of the view that that the tender process complied with the requirements of the relevant laws and regulations. The Company would use the information collected from its research on accounting firms, together with the tender documents, bid documents and tender process documents obtained from CEC in relation to the selection of the accounting firm as preparatory material for the selection process, and submit them to the Audit and Risk Management Committee (the "**Audit Committee**"). Taking comprehensive consideration of the Company's preliminary research, the results of the comparative evaluation and CEC's tender outcome, and taking into account that Baker Tilly China has previously provided the Company with high-quality audit services, ranks highly in terms of professional competence and integrity, possesses the requisite independence, and is proposed to serve as the annual accounting firm for NEIIC, which would facilitate information exchange and enhance efficiency, it was proposed to recommend Baker Tilly China to the Audit Committee as the Company's accounting firm for the year 2026.	

Date	Event	Participating Parties
15 October 2026	The Company notified members of the Audit Committee about the upcoming change of accounting firm, and requested the convening of an audit committee meeting.	The Company and the Audit Committee
29 October 2026	The Audit Committee convened a meeting, considering the research information on accounting firms collected by the Company, as well as CEC's tender documents, bidding documents and tender process documents (including bid evaluation reports, invitation to bid, tender document collection record forms, record forms for the selection of bid evaluation experts and bid opening documents) obtained by the Company. The Audit Committee was of the view that the unified tendering conducted by CEC complied with the Rules on the Management of Financial Statement Audits for Central State-Owned Enterprises (《中央企業財務決算審計管理工作規則》) issued by the State-owned Assets Supervision and Administration Commission of the State Council, and the tendering process and results complied with the Bidding and Tendering Law of the People's Republic of China (《中華人民共和國招標投標法》). In accordance with the terms of reference of the Audit Committee, the Audit Committee is entitled to independently and substantively conduct due diligence reviews, rather than blindly following the decisions of the Company and CEC. If, after independent review, the Audit Committee considers that the accounting firm selected through the bidding and comparison process by the Company and CEC lacks relevant listed business experience or has a conflict of independence, it is entitled to refuse to recommend such firm and require a new selection exercise. NEIIC agreed with and respected the Audit Committee's right to independently appoint an accounting firm.	The Company, the Audit Committee and Baker Tilly China

Date	Event	Participating Parties
	The Audit Committee communicated with Baker Tilly China and conducted a thorough review of Baker Tilly China's basic information (including but not limited to its organisational form, branches, years of practise, personnel composition, practise qualifications, professional competence, quality of practise, project experience, etc.), investor protection capabilities, integrity records, and other conditions. It was noted that Baker Tilly China ranks among the top firms in the ranking of the Chinese Institute of Certified Public Accountants (CICPA) and is a large-scale accounting firm in Mainland China newly approved to engage in audit business for H-share enterprises; the Audit Committee carefully verified the practising years, practising experience, independence, integrity, and other conditions of the members of the audit engagement team for the Company, and noted that the project partner and the signing certified public accountants had not been subject to any criminal penalties, administrative penalties, or regulatory measures in the past three years, which satisfies the independence requirements under the Code of Professional Ethics for Chinese Certified Public Accountants. Upon verification, it is considered that Baker Tilly China holds the qualification to engage in securities related businesses, possesses the experience and professional ethics to conduct audit work for listed companies, has corresponding investor protection capabilities, and has no circumstances breaching the independence requirements under the Code of Professional Ethics for Chinese Certified Public Accountants. Baker Tilly China had previously served as the auditor of the financial statements and internal control of the Company for eight years, during which it provided high-quality audit services to the Company and offered numerous valuable recommendations in areas such as internal control and risk prevention and control. Taking into account the above factors comprehensively, the Audit Committee is of the view that Baker Tilly China is capable of fulfilling the requirements for the annual audit work of the Company and is competent to carry out high-quality audit work. The Audit Committee negotiated the audit fee with Baker Tilly China, and the Audit Committee ultimately proposed the audit fee to be RMB2.48 million, which is consistent with the audit fee of the predecessor auditor.	

Date	Event	Participating Parties
29 October 2026	The Audit Committee received the resignation letter from WUYIGE Certified Public Accountants LLP, fully communicated with the signing accountants of WUYIGE, and understood the reasons for resignation in detail. WUYIGE confirmed to the Audit Committee that no matters involving violations of laws, regulations, or regulatory requirements by the Company were identified during the audit process, and stated that there were no matters that specifically required drawing to the attention of the Audit Committee. WUYIGE confirmed that there are no matters that need to be brought to the attention of the shareholders of the Company, and also confirmed that there is no disagreement or unresolved matters with the Company.	The Company, the Audit Committee, and WUYIGE
4 November 2026	CEC issued a recommendation letter to CEC Panda, recommending Baker Tilly China as the auditor for the year 2026 for CEC Panda and certain subsidiaries within its scope of consolidation (including the Company).	CEC
11 November 2026	The Audit Committee held its seventh meeting of 2026, reviewed and approved the resolution on the "Change of Auditor for the Year 2026", and submitted it to the board of directors for consideration. The Company convened an extraordinary meeting of the eleventh session of the board of directors, considered and approved the above resolution, and agreed to submit the matter to the first extraordinary general meeting of 2026 for consideration.	The Company, and the Audit Committee

Note: According to the information provided by CEC, the tendering procedures are mainly as follows:

On 12 August 2026, CEC issued an invitation to tender. Nine bidders submitted documents to participate in the tender prior to the tender closing time.

On 2 September 2026, CEC organised the bid opening and evaluation. According to the bid opening results, Baker Tilly China, as a candidate audit institution, intends to undertake the audit of the financial statements and internal control for the year 2026 for CEC Panda and certain of its subsidiaries within the scope of consolidation (including the Company).

REASONS FOR CHANGE OF AUDITOR

When the Company convened the annual general meeting on 29 May 2026, WUYIGE had not yet indicated its intention to resign. WUYIGE verbally expressed its intention to resign to the Company in late September 2026, and the Company immediately commenced relevant work regarding the change of accounting firm.

SPECIFIC REASONS FOR THE RESIGNATION OF AUDITOR

During the process of considering this arrangement, WUYIGE took into overall consideration multiple preconditions, covering the established timetable for the annual audit and the delivery deadlines for various projects, and at the same time, in compliance with internal management procedures, gave full consideration to the additional resources required to further enhance the quality of practise in order to meet higher regulatory requirements, verified and calculated the carrying capacity of currently deployable internal resources, and decided not to participate in the overall selection process of accounting firm of CEC. On 29 October 2026, the Company received a written resignation letter submitted by WUYIGE.

OPINION OF THE AUDIT COMMITTEE ON THE DISCLOSURE OF THE REASONS FOR THE RESIGNATION OF ACCOUNTING FIRM

The Company convened a meeting of the Audit Committee on 29 October 2026. The Audit Committee held face-to-face discussions with the signing accountants of WUYIGE, reviewed the resignation letter and confirmation letter from WUYIGE, and is satisfied that the Announcement has disclosed all the underlying reasons leading to WUYIGE's resignation.

ASSESSMENT OF BAKER TILLY CHINA BY THE AUDIT COMMITTEE

In evaluating the appointment of Baker Tilly China, the Audit Committee has reviewed and considered various factors, and has also given particular consideration to section 2 of the Guide on Effective Audit Committee – Selection, Appointment and Re-appointment of Auditors (《審計委員會有效運作指引－甄選、委任及重新委任會計師》) (the "**Guidance**"). In evaluating the proposed appointment of Baker Tilly China as the accounting firm for the 2026 annual audit, the Audit Committee and the board of directors consider that Baker Tilly China meets the Company's requirements for the 2026 annual audit in terms of qualifications, professional competence, and independence. Details of its assessment are summarised below:

(1) Governance and leadership

The Audit Committee has reviewed the organisational form, organisational structure, leadership, and branch offices of Baker Tilly China. Established in December 1988, Baker Tilly China is one of the earliest domestic accounting

firms established in Mainland China with over 30 years of professional experience and nearly 30 branch offices nationwide; as of 31 December 2025, it had a total of 90 partners and 1,016 certified public accountants, of whom 403 had signed audit reports for securities service business; its audited total revenue for 2025 was RMB2,476.9714 million, of which revenue from audit business was RMB1,889.7454 million and revenue from securities business was RMB514.5426 million. The Audit Committee is satisfied that Baker Tilly China possesses the institutional scale, governance structure, and leadership capabilities required to support high-quality audits.

(2) Compliance with relevant ethical requirements

The Audit Committee has reviewed the independence and integrity of Baker Tilly China and the proposed engagement team. In the past three years, the key members of the Baker Tilly China engagement team have not been subject to any criminal penalty due to their professional conduct, nor have they been subject to any administrative penalty or supervisory and regulatory measure by the CSRC, its dispatched offices, or competent industry authorities, or any self-regulatory supervisory measure or disciplinary action by self-regulatory organisations such as stock exchanges or industry associations. Baker Tilly China has confirmed that it complies with the Code of Ethics for Professional Accountants and relevant regulatory requirements, and is not aware of any relationships or circumstances that may impair its independence. Based on the above, the Audit Committee is satisfied that Baker Tilly China is able to comply with the relevant ethical requirements.

(3) Industry knowledge and professional capabilities

The Audit Committee has reviewed the practise qualifications, industry experience and credentials of the proposed engagement team of Baker Tilly China. Baker Tilly China possesses the qualification to engage in securities business and provided audit services to 160 listed companies for the year 2025, with its clients mainly operating in industries such as manufacturing, information transmission, software and information technology services. Baker Tilly China is one of the recognised Mainland accounting firms added by the Accounting and Financial Reporting Council as announced on 8 May 2026, and is eligible to issue audit reports for H-share companies. Mr. Chen Bolin, the project partner, obtained the qualification as a certified public accountant in 2005 and commenced engaging in the audit of listed companies in 2006. In the past three years, he has signed the audit reports of 10 listed companies and reviewed those of 3 listed companies. The Audit Committee is satisfied that Baker Tilly China and the proposed engagement team possess the industry knowledge, technical capability and professional competence required to conduct the audit of the Company for the year 2026.

(4) Audit project performance

The Audit Committee has listened to the report of Baker Tilly China regarding the project execution, quality control, as well as the team and technical support allocated for the audit project of the Company, and requested Baker Tilly China to strictly implement the relevant rules such as the Chinese Auditing Standards and the opinions of regulatory authorities, strengthen professional judgement, and improve audit quality. Moreover, Baker Tilly China had served as the audit institution for the financial statements and internal control of the Company for eight years, during which it provided high-quality audit services to the Company and offered numerous beneficial suggestions in aspects such as internal control and risk prevention and control.

(5) Communication and interaction with the Audit Committee

Baker Tilly China ensures that it maintains communication with the Audit Committee at all stages of the audit. As part of the communication with the Audit Committee, Baker Tilly China has reported on matters such as the overall audit approach, key areas of focus, and audit schedule to the Audit Committee. The Audit Committee required Baker Tilly China to report significant issues identified during the audit process to the Audit Committee and independent directors in a timely manner, and to maintain continuous communication with the Audit Committee during the audit process.

(6) Results of audit inspections and regulatory findings

According to the report by Baker Tilly China to the Audit Committee, Baker Tilly China has recorded a relatively low frequency of administrative penalties and regulatory measures, with its overall number of regulatory measures also falling within a relatively favorable range among peer firms. The Audit Committee has also reviewed the relevant information on penalties and regulatory measures imposed on Baker Tilly China and its practitioners in the past three years due to their professional conduct, and considered that Baker Tilly China has a sound record of professional compliance and that its risk control capability is prominent among leading domestic accounting firms.

Based on the above factors, the Audit Committee considered that, as compared with other accounting firms that submitted tenders, Baker Tilly China could provide a more comprehensive scope of financial reporting work, more sufficient staffing allocation, and stronger support for the Company's business. Consequently, the Audit Committee considers Baker Tilly China to be the most suitable candidate for the role of the new accounting firm.

BAKER TILLY CHINA'S PROPOSED AUDIT PLAN

Set out below is a summary of the proposed audit plan for 2026 proposed by Baker Tilly China:

(1) Overall audit approach

Baker Tilly China will adopt a risk-oriented audit approach, specifically by understanding the audited entity and its environment, understanding each element of the audited entity's internal control system, understanding group-level controls, understanding the audited entity's information technology environment, and understanding the relevant laws and regulations applicable to the audited entity, to identify and assess risks of material misstatement, and implement responsive measures addressing the assessed risks of material misstatement. The audit implementation will be divided into four phases: planning and risk identification, formulation of audit strategy and risk assessment, audit execution, and conclusion and reporting. Through an integrated audit, audit efficiency will be improved by conducting audit work on the financial statements and internal control simultaneously.

(2) Audit timing and personnel arrangements

(a) Key personnel arrangements

Name	Position	Responsibilities/Scope of Work
Chen Bolin	Partner in charge of the engagement, and signing certified public accountant	Responsible for deciding on engagement acceptance and the allocation of audit personnel, attending project planning (kick-off) meetings, approving audit strategy documents, resolving major issues arising during execution, attending project debriefing meetings, completing third-level reviews, determining the project manager and approving project budgets, resolving major conflicts within the engagement team, appraising the performance of the project manager, conducting routine communications and communications on major project matters with personnel of corresponding levels of clients, maintaining client relationships, strengthening supervision over field work, etc.

Name	Position	Responsibilities/Scope of Work
Zhu Le	Project manager in charge, and signing certified public accountant	Responsible for representing the engagement team in negotiations and discussions with clients on relevant matters, organising engagement planning (kick-off) meetings, reviewing audit strategy memorandums, audit summaries, consolidating financial statements and submitting them to the engagement partner for approval, completing secondary reviews, and addressing issues raised by the partner in charge and external reviewers of the engagement team.
Zhou Weiying	Independent reviewer	Perform independent review work on the Nanjing Panda project

Based on the project requirements, Baker Tilly China will assemble a comprehensive team of approximately 32 members, covering audit, IT audit, management consulting, and tax consulting.

The project implementation team comprises 23 persons, among whom Wang Juan is the overall coordinator for the Nanjing Panda project, Chen Bolin is the partner in charge of the project, Zhu Le is the project manager, and the financial audit team is divided into 4 groups with 4 audit group leaders; and the IT audit team comprises 4 persons. In addition, there are 1 independent reviewer and 8 technical support experts.

The above is the preliminary staffing arrangement. Baker Tilly China will make timely adjustments to personnel assignments based on on-site work conditions to ensure sufficient human resources are available to complete the audit work within the prescribed timeframe.

(b) Key audit milestones

Description	Expected key time points
Acceptance of engagement	December 2026
Commencement of preliminary review work	December 2026
Obtaining an understanding of the audited entity and its environment (including updates)	December 2026
Understanding, evaluating and testing internal controls (including updates)	December 2026
Obtaining the latest financial statements and their trial balance and conducting financial statement analysis	December 2026
Inventory count observation	28 December 2026 to 3 January 2027
Completion of preliminary review work	31 December 2026
Initial completion of the assessment of risks of material misstatement	December 2026
Full on-site commencement of the audit team	4 January 2027
Determining preliminary adjustment matters	18 February 2027
Completion of internal final review by the engagement team	5 March 2027
Submission for project quality control review	7 March 2027
Completion of the internal management control process	28 March 2027
Issuance of the report	28 March 2027

(c) Schedule for communication with the Company

Required communication	Time
Communication with management	28 February 2027
Communication with independent directors and the Audit Committee (if applicable)	December 2026, 10 March 2027
Communication with those charged with governance	10 March 2027
Project team meetings (including kick-off meetings and wrap-up meetings)	Project kick-off meeting in December 2026, on-site summary meeting on 10 March 2027
Communication with experts or relevant persons (if any)	November 2026 to 25 March 2027
Communication with other certified public accountants (if any)	Not applicable
Communication with the predecessor certified public accountant (if any)	October 2026

(3) Basis for judgement and conclusions

Baker Tilly China presented a detailed annual audit plan covering audit methodologies, audit phases, schedule mapping and staffing arrangement. The Audit Committee has reviewed Baker Tilly China's proposed audit timetable, which sets out the key phases of the 2026 audit, the corresponding procedures, and the composition of the proposed audit team. The Audit Committee notes that no fewer than 20 personnel will be assigned to the Company's audit project. The Audit Committee established a consensus with Baker Tilly China to maintain effective, ongoing communication across all stages of the audit process, which includes regular scheduled meetings and prompt discussions to address any technical or reporting issues as they arise.

The Audit Committee is of the view that Baker Tilly China's proposed audit timetable is reasonable and sufficient to complete all necessary audit procedures without compromising the audit quality, and that Baker Tilly China's committed resources are adequate to achieve the proposed audit timetable, based on the above.

Save as disclosed above, all other information contained in the Announcement and the Circular remains unchanged. The supplemental information contained in this supplemental announcement will not affect other contents of the Announcement and the Circular. This supplemental announcement shall be read together with the Announcement and the Circular.

By Order of the Board
Nanjing Panda Electronics Company Limited
Hu Jin
Director

Nanjing, the People's Republic of China
20 November 2026

As at the date of this announcement, the Board comprises Non-executive Directors: Mr. Xu Jianyu, 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. Xue Yuheng.