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## 南京熊猫电子股份有限公司

### NANJING PANDA ELECTRONICS COMPANY LIMITED

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

(Stock Code: 00553)

## 2022 THIRD QUARTERLY REPORT

### IMPORTANT NOTICE

1. The board of directors (the “**Board**”), the supervisory committee, and the directors, supervisors, and senior management of Nanjing Panda Electronics Company Limited (the “**Company**”) warrant that the information in this quarterly report is truthful, accurate and complete, and does not contain any misrepresentation, misleading statement, or material omission, and severally and jointly accept legal responsibility.
2. Mr. Hu Huichun, the responsible person of the Company, Mr. Hu Dali, the Chief Accountant, and Ms. Liu Xianfang, the head of Accounting Department (person in charge of accounting matters) of the Company have declared the truthfulness, accuracy and completeness of the financial statements contained in the quarterly report.
3. The Company’s financial statements for the third quarter were unaudited.

## I. MAJOR FINANCIAL DATA

### (I) Major accounting data and financial indicators (prepared in accordance with the PRC Accounting Standards for Business Enterprises, unaudited)

Unit: RMB (Yuan)

Items	For the reporting period (July–September)	Changes for the reporting period as compared to the corresponding period of the previous year (%)	From the beginning of the year to the end of the reporting period (January–September)	Changes from the beginning of the year to the end of the reporting period as compared to the corresponding period of the previous year (%)
Operating income	916,499,965.55	-21.40	2,949,790,880.79	-11.56
Net profit attributable to shareholders of the Company	-7,824,089.09	N/A	4,176,079.58	25.23
Net profit attributable to shareholders of the Company after extraordinary items	-11,268,921.18	N/A	-10,312,394.84	N/A
Net cash flows from operating activities	N/A	N/A	45,301,133.87	240.26
Basic earnings per share (yuan/share)	-0.0086	N/A	0.0046	25.23
Diluted earnings per share (yuan/share)	-0.0086	N/A	0.0046	25.23
Return on net assets (weighted average) (%)	-0.22	Increased by 0.21 percentage point	0.12	Increased by 0.02 percentage point
	As at the end of the reporting period		As at the end of the previous year	Changes for the end of the reporting period as compared to the end of the previous year (%)
Total assets	5,849,079,494.03		6,057,982,752.18	-3.45
Enquiry attributable to shareholders of the Company	3,518,405,297.73		3,527,207,782.36	-0.25

## (II) Extraordinary items and amounts

Applicable       Not applicable

*Unit: RMB (Yuan)*

<b>Items</b>	<b>Amount for the reporting period (July- September)</b>	<b>Amount from the beginning of the year to the end of the reporting period (January- September)</b>	<b>Explanation</b>
Profit and loss from disposal of non-current assets	<b>104,864.56</b>	883,103.00	
Government grants accounted for as current profit and loss (except for government grants which are closely related to normal business of the Company, conformed to requirements of State policy, and granted continuously according to certain standardised amounts or quotas)	<b>4,691,295.48</b>	13,948,669.33	
Apart from effective hedging instruments relating to the normal operations of the Company, profit or loss from change in fair value of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investment	<b>207,211.80</b>	3,337,281.45	
Reversal of provisions for impairment of accounts receivable and contract assets individually tested for impairment	<b>256,176.00</b>	599,440.80	
Non-operating income and expenses other than the aforesaid items	<b>5,260.96</b>	144,794.22	
Less: Impact of income tax	<b>613,012.29</b>	2,534,927.03	
Impact of minority interest (after-tax)	<b>1,206,964.42</b>	1,889,887.35	
<b>Total</b>	<b><u>3,444,832.09</u></b>	<b><u>14,488,474.42</u></b>	

### **(III) Changes in major accounting data and financial indicators and the reasons**

<b>Item</b>	<b>Percentage of change (%)</b>	<b>Major reason</b>
Non-current assets due within one year	-67.07	Mainly due to the expiration of the warranty period of some projects
Construction in progress	59.45	Mainly due to some projects under construction during the period that have not been transferred to fixed assets
Right-of-use assets	-43.42	Mainly due to the amortisation of leased equipment recognised as right-of-use assets on schedule
Salaries payable	-46.30	Mainly due to the payment of salaries, bonuses and salary expenses during the period
Non-current liabilities due within one year	-55.93	Mainly due to the corresponding lease payments and decreased lease liabilities due within one year during the period
Other current liabilities	-53.44	Mainly due to the decrease in sales tax to be carried forward at the end of the period
Lease liabilities	-50.99	Mainly due to the payment of rent as scheduled during the period
Deferred income tax liabilities	51.44	Mainly due to the deferred income tax liabilities arising from changes in fair value of financial assets held for trading

<b>Item</b>	<b>Percentage of change (%)</b>	<b>Major reason</b>
Other comprehensive income	N/A	Mainly due to the changes in fair value of investments in other equity instruments measured at fair value through other comprehensive income for the period
Financial expenses	N/A	Mainly due to the fluctuation in RMB exchange rate, leading to the change of the exchange gains and losses from the exchange gains in the same period of the previous year to the exchange losses during the period
Other gains	89.76	Mainly due to the increase in government grants related to operations recognised during the period
Investment income	36.56	Mainly due to the increase in income from investment in associates during the period
Gain from change in fair value	-620.59	Mainly due to the reversal of gains and losses on fair value changes recognized on outstanding financial products at the end of the previous year during the period
Credit impairment losses	-92.85	Mainly due to the decrease in the reversal of the bad debt provision for accounts receivable in the period
Asset impairment losses	165.95	Mainly due to the year-on-year increase in provision for decline in value of inventories during the period
Gains on disposal of assets	N/A	Mainly due to the increase in gain on disposal of non-current assets during the period
Income tax expense	-51.30	Mainly due to the decrease in income tax expense during the period

## II. INFORMATION ON SHAREHOLDERS

### (I) Total number of shareholders of ordinary shares and the number of holders of preference shares with restored voting rights and shareholdings of the top ten shareholders

*Unit: Share*

Total number of ordinary shareholders as at the end of the reporting period	35,365	Total number of shareholders of preference shares with restored voting rights as at the end of the reporting period (if any)	0
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### Shareholdings of the top 10 shareholders

Name of shareholders	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares held subject to trading moratorium	Status of share	Pledged, marked or frozen Number
HKSCC (Nominees) Limited	Overseas legal person	245,389,879	26.85	0	Unknown	
Panda Electronics Group Limited	State-owned legal person	210,661,444	23.05	0	Pledged	105,091,430
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司)	State-owned legal person	52,155,524	5.71	0	Unknown	
Nanjing Electronics Information Industrial Corporation	State-owned legal person	35,888,611	3.93	0	Unknown	
Guoxin Investment Co., Ltd.	State-owned legal person	9,134,653	1.00	0	Unknown	
Lu Ping (呂平)	Domestic natural person	6,890,300	0.75	0	Unknown	
Zhang Desheng (張德勝)	Domestic natural person	4,906,582	0.54	0	Unknown	
Chen Linfa (陳林法)	Domestic natural person	3,294,600	0.36	0	Unknown	
Li Rong (李蓉)	Domestic natural person	3,143,559	0.34	0	Unknown	
Lin Jiatuan (林加團)	Domestic natural person	2,450,000	0.27	0	Unknown	

## Shareholdings of the top 10 holders of shares not subject to trading moratorium

Name of shareholders	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
HKSCC (Nominees) Limited	245,389,879	Overseas listed foreign shares	241,663,450
		RMB denominated ordinary shares	3,726,429
Panda Electronics Group Limited (“PEGL”)	210,661,444	RMB denominated ordinary shares	210,661,444
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司)	52,155,524	RMB denominated ordinary shares	52,155,524
Nanjing Electronics Information Industrial Corporation (“NEIIC”)	35,888,611	RMB denominated ordinary shares	22,120,611
		Overseas listed foreign shares	13,768,000
Guoxin Investment Co., Ltd.	9,134,653	RMB denominated ordinary shares	9,134,653
Lu Ping (呂平)	6,890,300	RMB denominated ordinary shares	6,890,300
Zhang Desheng (張德勝)	4,906,582	RMB denominated ordinary shares	4,906,582
Chen Linfa (陳林法)	3,294,600	RMB denominated ordinary shares	3,294,600
Li Rong (李蓉)	3,143,559	RMB denominated ordinary shares	3,143,559
Lin Jiatuan (林加團)	2,450,000	RMB denominated ordinary shares	2,450,000

Description of the 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% of the shares of the Company. CEIEC (H.K.) Limited (華電有限公司), a wholly-owned subsidiary of China Electronics Corporation (hereinafter referred to as “CEC”), holds 27,414,000 H shares of the Company, representing 3% of the total 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 the above, the Company is not aware of any connected relationship or party acting in concert among other shareholders.

Description of the participation in margin financing and securities lending and margin and securities refinancing business by the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium (If any)

As at the end of the reporting period, among the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium, Lu Ping (呂平) held 6,890,300 shares through credit securities account, Zhang Desheng (張德勝) held 640,000 shares through credit securities account, Li Rong (李蓉) held 1,092,700 shares through credit securities account, and Lin Jiatuan (林加團) held 1,450,000 shares through credit securities account.

*Notes:*

- (1) As at the end of the reporting period, HKSCC (Nominees) Limited held 245,389,879 shares (in particular: 241,663,450 H shares, 3,726,429 A shares) of the Company on behalf of several clients, representing 26.85% of the issued share capital of the Company, including 13,768,000 H shares held by NEIIC in the Company, and 27,414,000 H shares held by CEIEC (H.K.) Limited (華電有限公司), a wholly-owned subsidiary of CEC. Save as disclosed above, the Company is not aware of any other individual client holding more than 5% of the issued share capital of the Company.
- (2) The Company received the notice from PEGL, the controlling shareholder of the Company on 2 August 2021, which mentioned that part of the shares of the Company held by PEGL has been pledged. PEGL pledged 105,091,430 shares of the Company, representing 49.89% of the total shares of the Company held by it and 11.50% of the total share capital of the Company. For details of this matter, please refer to the relevant announcements published by the Company on the China Securities Journal, Shanghai Securities News, the website of Shanghai Stock Exchange on 3 August 2021 and on the website of the Hong Kong Stock Exchange on 2 August 2021.
- (3) On 25 April 2022, the Company received a document from China Huarong regarding its plan to reduce its shareholding in the Company. However, China Huarong did not reduce its shareholding in the Company during the reporting period. For details, please refer to the relevant announcement of the Company published in China Securities Journal and Shanghai Securities News and on the website of the Shanghai Stock Exchange on 26 April and 20 August 2022.

### **III. OTHER REMINDERS**

Not applicable



#### IV. QUARTERLY FINANCIAL STATEMENTS

(I) **2022 third quarterly financial statements (prepared in accordance with the PRC Accounting Standards for Business Enterprises, unaudited)**

**Consolidated Balance Sheet**

*30 September 2022*

Prepared by: Nanjing Panda Electronics Company Limited *Unit: RMB  
(Yuan)*

<b>Assets</b>	<b>30 September 2022</b>	31 December 2021
<b>Current assets:</b>		
Monetary Funds	<b>1,119,917,797.44</b>	963,218,477.01
Settlement provisions		
Placement		
Financial assets measured at fair value and the changes are recorded into the profits and losses of the current period		
Financial assets held for trading	<b>439,437,330.49</b>	472,241,399.61
Derivative financial assets		
Notes receivable	<b>53,498,539.94</b>	59,789,784.39
Accounts receivable	<b>1,051,380,236.06</b>	1,150,920,743.65
Financing receivables	<b>25,717,122.04</b>	20,272,279.95
Advance payments	<b>73,398,817.68</b>	58,199,200.40
Premiums receivable		
Reinsurance receivable		
Reinsurance contract reserve receivable		
Other receivables	<b>48,347,394.51</b>	41,962,947.68
Financial assets purchased for resale		
Inventories	<b>851,038,244.53</b>	975,417,660.38
Contract assets	<b>95,234,000.79</b>	117,037,111.93
Held-for-sale assets		
Non-current assets due within one year	<b>4,245,650.00</b>	12,892,936.65
Other current assets	<b>134,978,421.19</b>	139,370,084.35
<b>Total current assets</b>	<b><u>3,897,193,554.67</u></b>	<b><u>4,011,322,626.00</u></b>

<b>Assets</b>	<b>30 September 2022</b>	31 December 2021
<b>Non-current assets:</b>		
Loans and advances to customers		
Available-for-sale financial assets		
Held-to-maturity investments		
Debenture investments		
Other debenture investments		
Long-term receivables		
Long-term equity investments	<b>682,491,796.06</b>	702,575,641.90
Other equity instruments investments	<b>3,305,431.13</b>	3,551,864.21
Other non-current financial assets		
Investment properties	<b>217,489,420.25</b>	225,438,906.53
Fixed assets	<b>870,558,672.23</b>	921,295,490.47
Construction in progress	<b>2,650,558.95</b>	1,662,327.51
Biological assets for production		
Fuel assets		
Right-of-use assets	<b>5,082,676.45</b>	8,982,713.77
Intangible assets	<b>136,765,860.29</b>	150,967,594.98
Development expenses		
Goodwill		
Long-term expenses to be amortised	<b>10,762,067.94</b>	10,927,742.76
Deferred income tax assets	<b>18,392,303.74</b>	17,020,460.54
Other non-current assets	<b>4,387,152.32</b>	4,237,383.51
	<hr/>	<hr/>
<b>Total non-current assets</b>	<b><u>1,951,885,939.36</u></b>	<b><u>2,046,660,126.18</u></b>
	<hr/>	<hr/>
<b>Total assets</b>	<b><u>5,849,079,494.03</u></b>	<b><u>6,057,982,752.18</u></b>

<i>Head of the Company:</i> <b>Hu Huichun</b>	<i>Chief Accountant:</i> <b>Hu Dali</b>	<i>Head of the Accounting Department:</i> <b>Liu Xianfang</b>
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**Consolidated Balance Sheet (Continued)***30 September 2022*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB  
(Yuan)*

	<b>30 September 2022</b>	31 December 2021
<b>Liabilities and owners' equity</b>		
<b>Current liabilities:</b>		
Short-term loans		
Borrowing from PBOC		
Customer and interbank deposits		
Borrowing from interbank		
Financial liabilities measured at fair value and the changes are recorded into the profits and losses of the current period		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	<b>185,968,734.41</b>	214,817,174.59
Accounts payable	<b>1,548,485,438.04</b>	1,607,660,654.09
Receipts in advance	<b>510,913.01</b>	461,253.51
Contract liabilities	<b>108,129,148.55</b>	153,089,473.09
Financial assets sold under repurchase agreements		
Bank charges and commissions due		
Salaries payable	<b>22,976,694.32</b>	42,787,188.00
Taxes payable	<b>32,105,468.98</b>	28,572,004.43
Other payables	<b>110,128,978.49</b>	99,479,790.95
Reinsurers due		
Insurance contract reserves		
Customers' deposits held for securities brokerage		
Securities underwriting		
Liabilities held for sale		
Non-current liabilities due within one year	<b>4,000,116.80</b>	9,076,593.15
Other current liabilities	<b>18,129,860.90</b>	38,938,492.63
<b>Total current liabilities</b>	<b><u>2,030,435,353.50</u></b>	<b><u>2,194,882,624.44</u></b>

<b>Liabilities and owners' equity</b>	<b>30 September 2022</b>	31 December 2021
<b>Non-current liabilities:</b>		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	<b>1,757,751.06</b>	3,586,641.07
Long-term payables		
Long-term staff salaries payable	<b>9,182,212.60</b>	11,837,677.44
Estimated liabilities		
Deferred income	<b>49,137,219.51</b>	44,917,830.69
Deferred income tax liabilities	<b>600,795.06</b>	396,709.26
Other non-current liabilities		
	<hr/>	<hr/>
<b>Total non-current liabilities</b>	<b><u>60,677,978.23</u></b>	<b><u>60,738,858.46</u></b>
<b>Total liabilities</b>	<b><u>2,091,113,331.73</u></b>	<b><u>2,255,621,482.90</u></b>
<b>Owners' equity:</b>		
Share capital	<b>913,838,529.00</b>	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	<b>1,470,691,800.13</b>	1,470,691,800.13
Less: treasury share		
Other comprehensive income	<b>-258,426.65</b>	-73,601.84
Special reserve		
Surplus reserve	<b>276,018,152.13</b>	276,018,152.13
General risk reserve		
Undistributed profits	<b><u>858,115,243.12</u></b>	<u>866,732,902.94</u>
Sub-total shareholders' equity attributable to the parent company	<b><u>3,518,405,297.73</u></b>	<u>3,527,207,782.36</u>
Minority interests	<b><u>239,560,864.57</u></b>	<u>275,153,486.92</u>
<b>Total owners' equity</b>	<b><u>3,757,966,162.30</u></b>	<b><u>3,802,361,269.28</u></b>
<b>Total liabilities and owners' equity</b>	<b><u>5,849,079,494.03</u></b>	<b><u>6,057,982,752.18</u></b>

*Head of the Company:*  
**Hu Huichun**

*Chief Accountant:*  
**Hu Dali**

*Head of the Accounting  
Department:*  
**Liu Xianfang**

## Consolidated Income Statement

January–September 2022

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB  
(Yuan)

Items	First three quarters of 2022 (January– September)	First three quarters of 2021 (January– September)
<b>1. Total operating income</b>	<b>2,949,790,880.79</b>	3,335,533,233.86
Including: Operating income	<b>2,949,790,880.79</b>	3,335,533,233.86
Interests income		
Premiums earned		
Income from bank charges and commissions		
<b>2. Total operating cost</b>	<b>2,962,046,125.59</b>	3,324,722,096.29
Including: Operating cost	<b>2,563,058,956.69</b>	2,950,462,578.20
Interests expenses		
Bank charges and commissions expenses		
Insurance withdrawal payment		
Net payment from indemnity		
Net provisions for insurance contract		
Insurance policy dividend paid		
Reinsurance cost		
Business taxes and surcharge	<b>15,873,210.75</b>	14,270,721.09
Selling expenses	<b>32,384,275.37</b>	35,502,979.40
Administrative expenses	<b>174,952,452.85</b>	188,514,645.48
R&D costs	<b>168,407,686.54</b>	152,622,562.84
Financial expenses	<b>7,369,543.39</b>	-16,651,390.72
Including: Interest expense	<b>259,779.16</b>	317,873.74
Interest incomes	<b>11,001,959.80</b>	14,481,985.61
Add: Other gain	<b>16,888,013.93</b>	8,899,757.15
Investment income (losses are represented by “-”)	<b>49,175,015.85</b>	36,010,107.13
Including: Investment income of associates and joint ventures	<b>39,916,154.16</b>	26,163,955.43

Items	First three quarters of 2022 (January– September)	First three quarters of 2021 (January– September)
Income on hedging the net exposure (losses are represented by “-”)		
Income from change in fair value (losses are represented by “-”)	<b>-2,804,069.12</b>	538,628.24
Loss in credit impairment (losses are represented by “-”)	<b>354,764.29</b>	4,962,919.89
Loss in assets impairment (losses are represented by “-”)	<b>-12,707,295.57</b>	-4,778,161.34
Gains on disposal of assets (losses are represented by “-”)	<b>225,915.30</b>	-693,808.00
Exchange gain (losses are represented by “-”)		
<b>3. Operating profit (losses are represented by “-”)</b>	<b>38,877,099.88</b>	55,750,580.64
Add: Non-operating income	<b>1,015,941.45</b>	1,047,754.73
Less: Non-operating expenses	<b>183,959.53</b>	239,102.51
<b>4. Total Profit (total losses are represented by “-”)</b>	<b>39,709,081.80</b>	56,559,232.86
Less: Income tax expense	<b>11,369,246.17</b>	23,344,168.63
<b>5. Net Profit (net losses are represented by “-”)</b>	<b>28,339,835.63</b>	33,215,064.23
(1) Classified by the business continuity		
1. Net profit for going concern (net losses are represented by “-”)	<b>28,339,835.63</b>	33,215,064.23
2. Net profit for discontinued operation (net losses are represented by “-”)		
(2) Classified by the attribution of the ownership		
1. Net Profit attributable to the equity shareholders of the parent company	<b>4,176,079.58</b>	3,334,794.35
2. Minority interests	<b>24,163,756.05</b>	29,880,269.88

<b>Items</b>	<b>First three quarters of 2022 (January– September)</b>	First three quarters of 2021 (January– September)
<b>6. Net other comprehensive income after tax</b>	<b>-184,824.81</b>	400,466.34
Net other comprehensive income after tax attributable to shareholders of the parent company	<b>-184,824.81</b>	400,466.34
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss	<b>-184,824.81</b>	400,466.34
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	<b>-184,824.81</b>	400,466.34
4. Changes in fair value of the enterprise's own credit risk		

<b>Items</b>	<b>First three quarters of 2022 (January– September)</b>	First three quarters of 2021 (January– September)
(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. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investments as available- for-sale financial assets		
4. Changes in fair value of other debt investment		
5. Amount of financial assets reclassified to other comprehensive income		
6. Provision for credit impairment of other debenture investment		
7. Cash flow hedging reserve		
8. Translation difference of financial statements in foreign currencies		
9. Others		
Net other comprehensive income after tax attributable to minority interests		



<b>Items</b>	<b>First three quarters of 2022 (January– September)</b>	First three quarters of 2021 (January– September)
<b>7. Total comprehensive income</b>	<b>28,155,010.82</b>	33,615,530.57
Total comprehensive income attributable to the equity holders of the parent company	<b>3,991,254.77</b>	3,735,260.69
Total comprehensive income attributable to minority shareholders	<b>24,163,756.05</b>	29,880,269.88
<b>8. Earnings per share:</b>		
(1) Basic earnings per share <i>(RMB/share)</i>	<b>0.0046</b>	0.0036
(2) Diluted earnings per share <i>(RMB/share)</i>	<b>0.0046</b>	0.0036

<i>Head of the Company:</i> <b>Hu Huichun</b>	<i>Chief Accountant:</i> <b>Hu Dali</b>	<i>Head of the Accounting Department:</i> <b>Liu Xianfang</b>
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**Consolidated Cash Flow Statement**  
*January–September 2022*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB  
(Yuan)*

<b>Items</b>	<b>First three quarters of 2022 (January– September)</b>	First three quarters of 2021 (January– September)
<b>1. Cash flows from operating activities:</b>		
Cash received from the sale of goods and rendering of services	<b>3,260,477,428.81</b>	3,617,829,411.46
Net increase in deposits and placements from financial institutions		
Net increase in borrowings due to central bank		
Net increase in loans from other financial institutions		
Cash received from premiums of original insurance contract		
Net cash received from reinsurance business		
Net increase in deposits of the insured and investment		
Net increase in disposal of financial assets at fair value through profit or loss		
Cash received from interests, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchasing		
Refunds of taxes	<b>34,132,496.77</b>	52,846,363.73
Cash received relating to other operating activities	<b>257,854,156.71</b>	206,413,186.10
<b>Sub-total of cash inflows from operating activities</b>	<b><u>3,552,464,082.29</u></b>	<b><u>3,877,088,961.29</u></b>

<b>Items</b>	<b>First three quarters of 2022 (January– September)</b>	<b>First three quarters of 2021 (January– September)</b>
Cash paid for purchase of goods and services received	<b>2,657,847,789.69</b>	3,081,083,842.01
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		
Cash paid for interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	<b>498,052,229.82</b>	409,933,638.77
Cash paid for all types of taxes	<b>99,502,370.62</b>	101,052,859.79
Cash paid relating to other operating activities	<b><u>251,760,558.29</u></b>	<u>271,704,958.10</u>
<b>Sub-total of cash outflows from operating activities</b>	<b><u><u>3,507,162,948.42</u></u></b>	<b><u><u>3,863,775,298.67</u></u></b>
<b>Net cash flows from operating activities</b>	<b><u><u>45,301,133.87</u></u></b>	<b><u><u>13,313,662.62</u></u></b>
<b>2. Cash flows from investing activities:</b>		
Cash received from disposal of investments		
Cash received from return on investments	<b>69,737,467.74</b>	75,784,272.93
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<b>1,941,751.34</b>	321,872.87
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investment activities	<b><u>900,000,000.00</u></b>	<u>1,410,468,750.00</u>
<b>Sub-total of cash inflows from investing activities</b>	<b><u><u>971,679,219.08</u></u></b>	<b><u><u>1,486,574,895.80</u></u></b>

Items	First three quarters of 2022 (January– September)	First three quarters of 2021 (January– September)
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	16,143,663.93	46,084,061.66
Cash paid for investments		
Net increase in secured loans		
Net cash paid for acquisition of subsidiaries and other operating entities		
Cash paid on other investment activities	<u>870,000,000.00</u>	<u>1,339,381,086.02</u>
<b>Sub-total of cash outflows from investing activities</b>	<b><u>886,143,663.93</u></b>	<b><u>1,385,465,147.68</u></b>
<b>Net cash flows from investing activities</b>	<b><u>85,535,555.15</u></b>	<b><u>101,109,748.12</u></b>
<b>3. Cash flows from financing activities:</b>		
Cash received from investments		
Including: Cash received by subsidiaries from minority shareholders' investment		
Cash received from borrowings		
Cash received from issuing bonds		
Cash received from other financing activities		<u>11,836,055.52</u>
<b>Sub-total of cash inflows from financing activities</b>		<b><u>11,836,055.52</u></b>

<b>Items</b>	<b>First three quarters of 2022 (January– September)</b>	<b>First three quarters of 2021 (January– September)</b>
Cash paid on repayment of borrowings Cash paid on distribution of dividends or profits, or interest expenses	<b>72,006,978.96</b>	23,495,349.17
Including: Dividend and profit paid to minority shareholders by subsidiaries	<b>59,213,239.56</b>	
Cash paid on other financing activities	<u>  </u>	<u>1,572,470.34</u>
<b>Sub-total of cash outflows from financing activities</b>	<b><u>72,006,978.96</u></b>	<b><u>25,067,819.51</u></b>
<b>Net cash flows from financing activities</b>	<b><u>-72,006,978.96</u></b>	<b><u>-13,231,763.99</u></b>
<b>4. Effect of fluctuations in exchange rates on cash and cash equivalents</b>	<b><u>4,353,614.44</u></b>	<b><u>676,073.74</u></b>
<b>5. Net increase in cash and cash equivalents</b>	<b>63,183,324.50</b>	101,867,720.49
Add: Balance of cash and cash equivalents at the beginning of the period	<b><u>848,233,503.66</u></b>	<b><u>1,149,052,807.58</u></b>
<b>6. Balance of cash and cash equivalents at the end of the period</b>	<b><u>911,416,828.16</u></b>	<b><u>1,250,920,528.07</u></b>

<i>Head of the Company:</i> <b>Hu Huichun</b>	<i>Chief Accountant:</i> <b>Hu Dali</b>	<i>Head of the Accounting Department:</i> <b>Liu Xianfang</b>
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**Balance Sheet**

9/30/2022

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB  
(Yuan)*

<b>ASSETS</b>	<b>30 September 2022</b>	<b>31 December 2021</b>
<b>Current assets:</b>		
Monetary Funds	<b>34,815,479.77</b>	39,216,173.73
Financial assets measured at fair value and the changes are recorded into the profits and losses of the current period		
Financial assets held for trading	<b>281,246,536.99</b>	150,014,383.56
Derivative financial assets		
Notes receivable	<b>10,715,470.22</b>	2,638,210.00
Accounts receivable	<b>106,902,604.69</b>	101,272,967.72
Financing receivables		
Prepayments	<b>4,186,762.61</b>	9,386,848.03
Other receivables	<b>206,768,322.24</b>	216,727,244.80
Inventories	<b>47,381,010.63</b>	40,103,355.09
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets		32,241.15
<b>Total current assets</b>	<b><u>692,016,187.15</u></b>	<b><u>559,391,424.08</u></b>

**ASSETS****30 September 2022** 31 December 2021**Non-current assets:**

Available-for-sale financial assets		
Held-to-maturity investments		
Debenture investments		
Other debenture investments		
Long-term receivables		
Long-term equity investments	<b>2,126,369,933.53</b>	2,136,346,559.46
Other equity instruments investments	<b>3,305,431.13</b>	3,551,864.21
Other non-current financial assets		
Investment properties	<b>340,911,725.03</b>	351,618,473.50
Fixed assets	<b>68,496,774.44</b>	72,878,467.62
Construction in progress	<b>3,391,140.02</b>	1,229,570.87
Biological assets for production		
Fuel assets		
Right-of-use assets		
Intangible assets	<b>12,674,538.21</b>	13,518,024.69
Development expenses		
Goodwill		
Long-term expenses to be amortised	<b>7,420,345.54</b>	5,733,798.58
Deferred income tax assets	<b>86,142.22</b>	24,533.95
Other non-current assets		
<b>Total non-current assets</b>	<b><u>2,562,656,030.12</u></b>	<b><u>2,584,901,292.88</u></b>
<b>Total assets</b>	<b><u>3,254,672,217.27</u></b>	<b><u>3,144,292,716.96</u></b>

*Head of Company:*  
**Hu Huichun**

*Chief Accountant:*  
**Hu Dali**

*Head of the Accounting  
Department:*  
**Liu Xianfang**

**Balance Sheet (Continued)**

9/30/2022

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB  
(Yuan)*

<b>Liabilities and owners' equity</b>	<b>30 September 2022</b>	31 December 2021
<b>Current liabilities:</b>		
Short-term loans		
Financial liabilities measured at fair value and the changes are recorded into the profits and losses of the current period		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	<b>17,428,829.32</b>	17,724,476.13
Accounts payable	<b>59,294,138.92</b>	43,620,736.29
Receipts in advance	<b>408,835.07</b>	353,853.03
Contract liabilities	<b>884,955.75</b>	2,907,435.18
Salaries payable	<b>1,494,689.21</b>	1,581,358.40
Taxes payable	<b>11,372,340.61</b>	9,935,276.08
Other payables	<b>236,461,481.13</b>	217,265,134.58
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	<b>115,044.25</b>	1,977,966.57
<b>Total current liabilities</b>	<b><u>327,460,314.26</u></b>	<b><u>295,366,236.26</u></b>
<b>Non-current liabilities:</b>		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term staff salaries payable	<b>1,362,981.34</b>	1,730,963.79
Estimated liabilities		
Deferred income		
Deferred income tax liabilities	<b>311,634.24</b>	3,595.89
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b><u>1,674,615.58</u></b>	<b><u>1,734,559.68</u></b>
<b>Total liabilities</b>	<b><u>329,134,929.84</u></b>	<b><u>297,100,795.94</u></b>



<b>Liabilities and owners' equity</b>	<b>30 September 2022</b>	31 December 2021
<b>Owners' equity:</b>		
Share capital	<b>913,838,529.00</b>	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	<b>1,434,870,834.28</b>	1,434,870,834.28
Less: treasury share		
Other comprehensive income	<b>-258,426.65</b>	-73,601.84
Special reserve		
Surplus reserve	<b>276,018,152.13</b>	276,018,152.13
Undistributed profits	<b>301,068,198.67</b>	222,538,007.45
	<u><b>2,925,537,287.43</b></u>	<u>2,847,191,921.02</u>
<b>Total owners' equity</b>	<b><u>2,925,537,287.43</u></b>	<b><u>2,847,191,921.02</u></b>
<b>Total liabilities and owners' equity</b>	<b><u>3,254,672,217.27</u></b>	<b><u>3,144,292,716.96</u></b>

*Head of Company:*  
**Hu Huichun**

*Chief Accountant:*  
**Hu Dali**

*Head of the Accounting  
Department:*  
**Liu Xianfang**

**Income Statement**  
*January-September 2022*

Prepared by: Nanjing Panda Electronics Company Limited *Unit: RMB  
(Yuan)*

<b>Item</b>	<b>The first three quarters in 2022 (January– September)</b>	The first three quarters in 2021 (January– September)
<b>I. Total operating income</b>	<b>105,039,830.76</b>	98,547,492.88
Less: Operating cost	<b>67,665,092.94</b>	58,841,124.86
Business taxes and surcharge	<b>3,447,302.29</b>	3,943,359.16
Selling expenses	<b>4,247,702.01</b>	3,907,589.79
Administrative expenses	<b>68,672,060.81</b>	81,408,797.02
R&D costs	<b>21,603,527.03</b>	14,616,753.09
Financial expenses	<b>-7,793,044.08</b>	-6,172,614.88
Including: Interest expense		
Interest income	<b>216,335.52</b>	2,962,076.32
Add: Other gains	<b>180,186.39</b>	706,187.16
Investment income (losses are represented by “-”)	<b>142,951,184.35</b>	118,276,679.76
Including: Investment income of associates and joint ventures	<b>40,023,374.07</b>	26,054,998.65
Income on hedging the net exposure (losses are represented by “-”)		
Income from change in fair value (losses are represented by “-”)	<b>1,232,153.43</b>	-97,358.07
Loss in credit impairment	<b>-18,328.00</b>	37,512.07
Loss in assets impairment		
Gain on disposal of assets (losses are represented by “-”)		
<b>II. Operating profit (losses are represented by “-”)</b>	<b>91,542,385.93</b>	60,925,504.76
Add: Non-operating income	<b>89,583.04</b>	23,879.49
Less: Non-operating expenses		2,156.54

Item	The first three quarters in 2022 (January– September)	The first three quarters in 2021 (January– September)
<b>III. Total Profit (total losses are represented by “-”)</b>	<b>91,631,968.97</b>	60,947,227.71
Less: Income tax expense	<b>308,038.35</b>	-24,339.51
<b>IV. Net Profit (net losses are represented  by “-”)</b>	<b>91,323,930.62</b>	60,971,567.22
(1) Net profit for going concern (net losses are represented by “-”)	<b>91,323,930.62</b>	60,971,567.22
(2) Net profit for discontinued operation (net losses are represented by “-”)		
<b>V. Net other comprehensive income after tax</b>	<b>-184,824.81</b>	400,466.34
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss	<b>-184,824.81</b>	400,466.34
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	<b>-184,824.81</b>	400,466.34
4. Changes in fair value of the enterprise’s own credit risk		
(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. Gains or losses arising from changes in fair value of available-for-sale financial assets		

<b>Item</b>	<b>The first three quarters in 2022 (January– September)</b>	The first three quarters in 2021 (January– September)
3. Gains or losses arising from reclassification of held-to-maturity investments as available-for-sale financial assets		
4. Changes in fair value of other debt investment		
5. Amount of financial assets reclassified to other comprehensive income		
6. Provision for credit impairment of other debenture investment		
7. Cash flow hedging reserve		
8. Translation difference of financial statements in foreign currencies		
9. Others		
Net other comprehensive income after tax attributable to minority shareholders		
<b>VI. Total comprehensive income</b>	<b>91,139,105.81</b>	61,372,033.56
<b>VII. Earnings per share:</b>		
(1) Basic earnings per share		
(2) Diluted earnings per share		

*Head of Company:*  
**Hu Huichun**

*Chief Accountant:*  
**Hu Dali**

*Head of the Accounting  
Department:*  
**Liu Xianfang**

**Cash Flow Statement**  
*January-September 2022*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB  
(Yuan)*

<b>Item</b>	<b>The first three quarters in 2022 (January– September)</b>	The first three quarters in 2021 (January– September)
<b>I. Cash flows from operating activities:</b>		
Cash received from the sale of goods and rendering of services	<b>85,082,584.94</b>	69,255,630.80
Net increase in deposits and placements from financial institutions		
Net increase in borrowings due to central bank		
Net increase in loans from other financial institutions		
Cash received from premiums of original insurance contract		
Net cash received from reinsurance business		
Net increase in deposits of the insured and investment		
Net increase in disposal of financial assets held for trading		
Cash received from interests, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchasing		
Refunds of taxes		
Cash received relating to other operating activities	<b><u>257,850,577.94</u></b>	<u>106,111,064.98</u>
<b>Sub-total of cash inflows from operating activities</b>	<b><u><u>342,933,162.88</u></u></b>	<u><u>175,366,695.78</u></u>

<b>Item</b>	<b>The first three quarters in 2022 (January– September)</b>	The first three quarters in 2021 (January– September)
Cash paid for purchase of goods and services received	<b>39,718,789.19</b>	48,383,912.93
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		
Cash paid for interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	<b>74,893,362.51</b>	78,209,402.61
Cash paid for all types of taxes	<b>6,562,283.06</b>	7,058,787.97
Cash paid relating to other operating activities	<b>233,922,896.83</b>	67,756,424.71
<b>Sub-total of cash outflows from operating activities</b>	<b><u>355,097,331.59</u></b>	<b><u>201,408,528.22</u></b>
<b>Net cash flows from operating activities</b>	<b><u>-12,164,168.71</u></b>	<b><u>-26,041,832.44</u></b>

<b>Item</b>	<b>The first three quarters in 2022 (January– September)</b>	The first three quarters in 2021 (January– September)
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of investments		
Cash received from return on investments	<b>162,950,606.87</b>	147,130,788.75
Net cash received from disposal of fixed assets, intangible assets and other long- term assets	<b>100,800.00</b>	29,700.00
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investment activities	<b>150,000,000.00</b>	305,000,000.00
<b>Sub-total of cash inflows from investing activities</b>	<b><u>313,051,406.87</u></b>	<b><u>452,160,488.75</u></b>
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	<b>5,184,818.94</b>	1,239,214.55
Cash paid for investments	<b>10,000,000.00</b>	
Net cash paid for acquisition of subsidiaries and other operating entities		
Cash paid on other investment activities	<b>280,000,000.00</b>	240,000,000.00
<b>Sub-total of cash outflows from investing activities</b>	<b><u>295,184,818.94</u></b>	<b><u>241,239,214.55</u></b>
<b>Net cash flows from investing activities</b>	<b><u>17,866,587.93</u></b>	<b><u>210,921,274.20</u></b>





Item	The first three quarters in 2022 (January– September)	The first three quarters in 2021 (January– September)
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	<u>35,695.23</u>	<u>28,630.09</u>
V. Net increase in cash and cash equivalents	-7,055,624.95	173,248,778.20
Add: Balance of cash and cash equivalents at the beginning of the period	<u>33,601,208.20</u>	<u>178,878,717.22</u>
VI. Balance of cash and cash equivalents at the end of the period	<u>26,545,583.25</u>	<u>352,127,495.42</u>

*Head of Company:*  
**Hu Huichun**

*Chief Accountant:*  
**Hu Dali**

*Head of the Accounting  
Department:*  
**Liu Xianfang**

By Order of the Board  
**Nanjing Panda Electronics Company Limited**  
**Zhou Guixiang**  
*Chairman*

Nanjing, the People's Republic of China  
26 October 2022

*As at the date of this announcement, the Board comprises Executive Directors: Mr. Zhou Guixiang, Mr. Xia Dechuan and Mr. Hu Huichun; Non-executive Directors: Mr. Shen Jianlong, Mr. Deng Weiming and Mr. Yi Guofu; and Independent Non-executive Directors: Mr. Dai Keqin, Ms. Xiong Yanren and Mr. Chu Wai Tsun, Baggio.*