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南京熊猫电子股份有限公司

NANJING PANDA ELECTRONICS COMPANY LIMITED

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

(Stock Code: 00553)

2024 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 Shoujun, the Chief Accountant, and Mr. Xue Gang, 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	Changes for the reporting period as compared to the corresponding period of the previous year (%)	Changes from the beginning of the year to the end of 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	Changes for the end of the reporting period as compared to the end of the previous year (%)	
Operating income	577,952,040.59	-0.94	1,828,298,552.68	-6.06	
Net profit attributable to shareholders of the Company	-30,729,551.66	N/A	-98,927,662.17	N/A	
Net profit attributable to shareholders of the Company after extraordinary items	-35,310,494.85	N/A	-111,859,781.62	N/A	
Net cash flows from operating activities	N/A	N/A	-258,013,394.28	N/A	
Basic earnings per share (RMB/share)	-0.0337	N/A	-0.1083	N/A	
Diluted earnings per share (RMB/share)	-0.0337	N/A	-0.1083	N/A	
Return on net assets (weighted average) (%)	-0.95	N/A	-3.04	N/A	
			As at the end of the reporting period	As at the end of the previous year	
Total assets			5,278,288,338.63	5,540,955,892.33	-4.74
Owners' equity attributable to shareholders of the Company			3,204,233,571.78	3,303,235,992.24	-3.00

Note: The “reporting period” refers to the three months ended at the end of this quarter, and the same below.

(II) Extraordinary items and amounts

Unit: RMB (Yuan)

Items	Amount for the period	Amount from the beginning of the year to the end of the reporting period	Explanation
Profit and loss from disposal of non-current assets, including the offset part of the asset impairment allowance provided	15,597.37	422,731.75	
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 established standards, and have a continuing effect on the Company's profit or loss	2,057,897.77	6,527,446.50	
Apart from effective hedging instruments relating to the normal operations of the Company, profit or loss from change in fair value of financial assets and financial liabilities held by non-financial enterprise and profit and loss from the disposal of financial assets and financial liabilities	3,286,142.33	8,024,142.36	
Reversal of provisions for impairment of accounts receivable and contract assets individually tested for impairment		82,243.80	
Non-operating income and expenses other than the aforesaid items	242,744.31	141,220.90	
Other items of gain or loss in accordance with the definition of extraordinary profit and loss		283,326.57	Refund of service charges related to individual income tax
Less: Impact of income tax	498,031.17	1,387,082.53	
Impact of minority interest (after-tax)	523,407.42	1,161,909.90	
Total	<u>4,580,943.19</u>	<u>12,932,119.45</u>	

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

Items	Percentage of change (%)	Major reason
Net profit attributable to shareholders of the Company _ For the reporting period	N/A	Mainly due to the increase in R&D expenses and the decrease in investment income of associates for the reporting period
Net profit attributable to shareholders of the Company _ From the beginning of year to the end of the reporting period	N/A	Mainly due to intense competition in the market from existing customers in the LCD panel segment under the green service-oriented electronic manufacturing business and the decline in orders in the safe city segment under the smart transportation and safe city business of the Company, leading to a year-on-year decrease in revenue and profit
Net profit attributable to shareholders of the Company after extraordinary items _ For the reporting period	N/A	Mainly due to the increase in R&D expenses and the decrease in investment income of associates for the reporting period
Net profit attributable to shareholders of the Company after extraordinary items _ From the beginning of year to the end of the reporting period	N/A	Mainly due to intense competition in the market from existing customers in the LCD panel segment under the green service-oriented electronic manufacturing business and the decline in orders in the safe city segment under the smart transportation and safe city business of the Company, leading to a year-on-year decrease in revenue and profit
Net cash flows from operating activities _ From the beginning of the year to the end of the reporting period	N/A	Mainly due to the decrease in cash received from the sale of goods and rendering of services during the period
Basic earnings per share (RMB/share) _ For the reporting period	N/A	Mainly due to the increase in R&D expenses and the decrease in investment income of associates for the reporting period

Items	Percentage of change (%)	Major reason
Basic earnings per share (RMB/share) _ From the beginning of year to the end of the reporting period	N/A	Mainly due to intense competition in the market from existing customers in the LCD panel segment under the green service-oriented electronic manufacturing business and the decline in orders in the safe city segment under the smart transportation and safe city business of the Company, leading to a year-on-year decrease in revenue and profit; as well as the decrease in investment income of associates
Diluted earnings per share (RMB/share) _ For the reporting period	N/A	Mainly due to the increase in R&D expenses and the decrease in investment income of associates for the reporting period
Diluted earnings per share (RMB/share) _ From the beginning of year to the end of the reporting period	N/A	Mainly due to intense competition in the market from existing customers in the LCD panel segment under the green service-oriented electronic manufacturing business and the decline in orders in the safe city segment under the smart transportation and safe city business of the Company, leading to a year-on-year decrease in revenue and profit; as well as the decrease in investment income of associates
Weighted average return on net assets (%) _ For the reporting period	N/A	Mainly due to the increase in R&D expenses and the decrease in investment income of associates for the reporting period
Weighted average return on net assets (%) _ From the beginning of year to the end of the reporting period	N/A	Mainly due to intense competition in the market from existing customers in the LCD panel segment under the green service-oriented electronic manufacturing business and the decline in orders in the safe city segment under the smart transportation and safe city business of the Company, leading to a year-on-year decrease in revenue and profit; and the decrease in investment income of associates
Notes receivable	-52.30	Mainly due to the decrease in commercial acceptance bills at the end of the period
Advance payments	63.93	Mainly due to the increase in prepayments for purchase during the period
Non-current assets due within one year	-48.36	Mainly due to the expiry of the quality guarantee of certain projects during the period
Construction in progress	470.55	Mainly due to the increase in projects not yet completed during the period
Other non-current assets	-49.66	Mainly due to the decrease in project guarantee deposit of more than one year

Items	Percentage of change (%)	Major reason
Short-term loans	-34.80	Mainly due to the decrease in factoring accounts receivable at the beginning of the period due during the period and bills discounted but not derecognised as compared to the beginning of the period
Notes payable	-36.63	Mainly due to the decrease in bank acceptance bills payable at the end of the period
Contract liabilities	45.09	Mainly due to the increase in contract payments received in advance during the period
Salaries payable	-59.14	Mainly due to the payment of salaries, bonuses and salary expenses during the period
Taxes payable	-30.49	Mainly due to the decrease in value-added tax payable as compared to the beginning of the period
Non-current liabilities due within one year	46.59	Mainly due to increase in lease liabilities due within one year
Lease liabilities	-44.58	Mainly due to the transfer of lease liabilities to non-current liabilities due within one year
Provision	-100	Mainly due to the payment for the pending litigation at the end of the previous period in this period
Gain on changes in fair value	N/A	Mainly due to the increase in gain on changes in fair value of unexpired bank wealth management products compared to the previous period
Loss in credit impairment	N/A	Mainly due to the increase in the provision for bad debts for accounts receivable during the period as compared to the previous period
Loss in assets impairment	-98.48	Mainly due to the year-on-year decrease in reversal of provision for decline in value of inventories during the period
Gain or loss on disposal of assets	N/A	Mainly due to gain on disposal of non-current assets during the period
Non-operating income	-55.80	Mainly due to the year-on-year decrease in the amount not needed to pay during the period
Non-operating expenses	-83.25	Mainly due to the provision for estimated liabilities based on the litigation judgment during the previous period
Net cash flows from financing activities	N/A	Mainly due to the year-on-year increase in the discounts on note receivable not terminated for recognition for 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	69,701	Total number of shareholders of preference shares with restored voting rights as at the end of the reporting period (if any)	Not applicable
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Shareholdings of the top 10 shareholders (excluding shares lent through refinancing)

Name of shareholders	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen Status of share	Number
HKSCC (Nominees) Limited	Overseas legal person	243,009,133	26.59	0	Unknown	
Panda Electronics Group Limited	State-owned legal person	210,661,444	23.05	0	Pledged	105,091,430
Nanjing Electronics Information Industrial Corporation	State-owned legal person	35,888,611	3.93	0	Unknown	
Ly Ping (呂平)	Domestic natural person	9,408,210	1.03	0	Unknown	
China Merchants Bank Co., Ltd. – Southern China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司–南方中證1000交易型開放式指數證券投資基金)	Other	5,636,700	0.62	0	Unknown	

Name of shareholders	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen Status of share	Number
Zhang Yuxiang (張玉香)	Domestic natural person	5,557,300	0.61	0	Unknown	
He Jiannan (何建南)	Domestic natural person	3,494,500	0.38	0	Unknown	
China Merchants Bank Co., Ltd. – Huaxia China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司－華夏中證1000交易型開放式指數證券投資基金)	Other	2,988,155	0.33	0	Unknown	
Cai Fengyong (蔡豐永)	Domestic natural person	2,938,500	0.32	0	Unknown	
Industrial and Commercial Bank of China Limited – GF China Securities 1000 Trading Open-ended Index Securities Investment Fund (中國工商銀行股份有限公司－廣發中證1000交易型開放式指數證券投資基金)	Other	1,955,800	0.21	0	Unknown	

Shareholdings of the top 10 holders of shares not subject to trading moratorium (excluding shares lent through refinancing)

Name of shareholders	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
HKSCC (Nominees) Limited	243,009,133	Overseas listed foreign shares	241,663,340
		RMB denominated ordinary shares	1,345,793
Panda Electronics Group Limited (“PEGL”)	210,661,444	RMB denominated ordinary shares	210,661,444
Nanjing Electronics Information Industrial Corporation (“NEIIC”)	35,888,611	RMB denominated ordinary shares	22,120,611
		Overseas listed foreign shares	13,768,000
Lv Ping (呂平)	9,408,210	RMB denominated ordinary shares	9,408,210
China Merchants Bank Co., Ltd. – Southern China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司—南方中證1000交易型開放式指數證券投資基金)	5,636,700	RMB denominated ordinary shares	5,636,700
Zhang Yuxiang (張玉香)	5,557,300	RMB denominated ordinary shares	5,557,300
He Jiannan (何建南)	3,494,500	RMB denominated ordinary shares	3,494,500
China Merchants Bank Co., Ltd. – Huaxia China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司—華夏中證1000交易型開放式指數證券投資基金)	2,988,155	RMB denominated ordinary shares	2,988,155
Cai Fengyong (蔡豐永)	2,938,500	RMB denominated ordinary shares	2,938,500
Industrial and Commercial Bank of China Limited – GF China Securities 1000 Trading Open-ended Index Securities Investment Fund (中國工商銀行股份有限公司—廣發中證1000交易型開放式指數證券投資基金)	1,955,800	RMB denominated ordinary shares	1,955,800

Shareholdings of the top 10 holders of shares not subject to trading moratorium (excluding shares lent through refinancing)

Name of shareholders	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
Description of the connected relationship or party acting in concert among the aforesaid shareholders	<p>NEIC holds 100% equity interests of PEGL, the controlling shareholder of the Company. NEIC 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. NEIC indirectly holds 210,661,444 A shares of the Company through PEGL, representing 23.05% of the total number of shares. In total, NEIC 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.</p>		
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)	<p>As of the end of the reporting period, among the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium, Lv Ping (呂平) held 9,408,210 shares through credit securities account.</p>		

The participation in lending shares through refinancing business by shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium

Applicable Not applicable

The participation in lending shares through refinancing business by shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium

Name of shareholder (full name)	Lending of shares				Lending of shares			
	Shareholdings of general account and credit account at the beginning of the period		through refinancing business at the beginning of the period and not yet returned		Shareholdings of general account and credit account at the end of the period		through refinancing business at the end of the period and not yet returned	
	Total	Percentage (%)	Total	Percentage (%)	Total	Percentage (%)	Total	Percentage (%)
China Merchants Bank Co., Ltd. – Southern China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司 – 南方中證1000交易型開放式指數證券投資基金)	556,000	0.060	146,300	0.016	5,636,700	0.62	0	0
China Merchants Bank Co., Ltd. – Huaxia China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司 – 華夏中證1000交易型開放式指數證券投資基金)	525,355	0.057	52,400	0.005	2,988,155	0.33	0	0
Industrial and Commercial Bank of China Limited – GF China Securities 1000 Trading Open-ended Index Securities Investment Fund (中國工商銀行股份有限公司 – 廣發中證1000交易型開放式指數證券投資基金)	585,300	0.064	59,200	0.006	1,955,800	0.21	0	0

Changes in the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium from the previous period due to lending/returning through refinancing business

Applicable Not applicable

Unit: share

**Changes in the top 10 shareholders and the top 10 holders
of shares not subject to trading moratorium from the previous period
due to lending/returning through refinancing business**

Name of shareholder (full name)	Additions/ Exits during the reporting period	Number of shares lent through refinancing at the end of the period and not yet returned		Number of shares held in the shareholders' general account, credit account and outstanding shares lent through refinancing at the end of the period	
		Total	Percentage (%)	Total	Percentage (%)
		China Merchants Bank Co., Ltd. – Southern China Securities 1000 Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司–南方 中證1000交易型開放式指數證券投資 基金)	Exit	0	0
China Merchants Bank Co., Ltd. – Huaxia China Securities 1000 Trading Open- ended Index Securities Investment Fund (招商銀行股份有限公司–華夏中證 1000交易型開放式指數證券投資基金)	Exit	0	0	2,988,155	0.33
Industrial and Commercial Bank of China Limited – GF China Securities 1000 Trading Open-ended Index Securities Investment Fund (中國工商銀行股份有 限公司–廣發中證1000交易型開放式 指數證券投資基金)	Exit	0	0	1,955,800	0.21

Notes:

1. As at the end of the reporting period, HKSCC (Nominees) Limited held 243,009,133 shares (in particular: 241,663,340 H shares, 1,345,793 A shares) of the Company on behalf of several clients, representing 26.59% of the issued share capital of the Company, including 13,768,000 H shares held by NEIC in the Company, and 27,414,000 H shares held by CEIEC (H.K.) Limited (華電有限公司), a wholly-owned subsidiary of CEC. Save as disclosed above, the Company is not aware of any other individual client holding more than 5% of the issued share capital of the Company.
2. The Company received the notice from PEGL, the controlling shareholder on 19 April 2024, which mentioned that part of the shares of the Company held by PEGL has been pledged. PEGL pledged 105,091,430 shares of the Company, representing 49.89% of the total shares of the Company held by it and 11.50% of the total share capital of the Company. For details of this matter, please refer to the relevant announcements published by the Company on the China Securities Journal, Shanghai Securities News and the website of Shanghai Stock Exchange on 20 April 2024.

III. OTHER REMINDERS

Applicable Not applicable

1. In the Company's Estimated Annual Results for 2023, the Company provided a risk warning on the special tax adjustment of one of its investee companies, Nanjing Ericsson Panda Communication Co., Ltd. ("ENC") as an uncertainty affecting the estimated results, and in the reply to the Shanghai Stock Exchange's regulatory work letter on matters relating to the Company's estimated results, the Company provided a detailed explanation on the ENC special tax adjustment. In the section headed "Analysis of major invested companies" in the 2023 Annual Report, the Company has given a detailed explanation of its contacts, communications and meetings with the management of ENC, the Swedish director of ENC and the representatives of EAB during the period from January 2024 to the date of disclosure in the 2023 Annual Report, and has explained the accounting treatment of the Company in respect of this matter. The Company has once again affirmed its consistent position that it will take all necessary measures to appropriately

deal with the impact of the ENC special tax adjustment and related matters on the Company, and will do its utmost to safeguard the legitimate rights and interests of the Company and its shareholders. In reply to the Shanghai Stock Exchange's regulatory work letter on matters relating to the Company's 2023 annual report information disclosure, the Company provided supplementary explanations on issues relating to the ENC special tax adjustment and its related matters, and the accountants expressed their opinions on the relevant issues. In 2024, the Company made staged progress disclosures in each of its periodic reports. For details, please refer to the relevant announcements (Lin. 2024-003, 2024-004 and 2024-024) dated 31 January, 29 February, 29 March, 4 June and 28 August 2024 respectively published on the website of the Shanghai Stock Exchange and the 2023 annual report and the 2024 interim report of the Company.

At present, the Company is still in continuous communication with EAB.

2. In the section headed "Material Litigation and Arbitration" in the 2023 annual report and the 2024 interim report of the Company, the Company made a detailed disclosure of the litigation matters between its wholly-owned subsidiary Nanjing Panda Electronics Equipment Co., Ltd. and Jiangsu Jinmao Robot Technology Co., Ltd. For details, please refer to the 2023 annual report and the 2024 interim report dated 29 March and 28 August 2024 respectively published on the website of the Shanghai Stock Exchange.

To date, the Court has not yet made a judgment.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) 2024 third quarterly financial statements (prepared in accordance with the PRC Accounting Standards for Business Enterprises, unaudited)

Consolidated Balance Sheet

30 September 2024

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

Assets	Closing balance	Beginning balance
Current assets:		
Monetary Funds	766,519,560.74	877,143,940.40
Settlement provisions		
Placement		
Financial assets held for trading	490,706,338.31	485,158,212.68
Derivative financial assets		
Notes receivable	62,800,952.70	131,647,314.14
Accounts receivable	1,195,187,636.57	1,169,980,610.79
Financing receivables	31,247,573.44	25,415,043.86
Advance payments	58,146,696.44	35,470,548.75
Premiums receivable		
Reinsurance receivable		
Reinsurance contract reserve receivable		
Other receivables	34,746,995.27	31,490,701.86
Financial assets purchased for resale		
Inventories	610,320,318.45	570,780,863.80
Contract assets	201,240,748.52	232,413,650.79
Held-for-sale assets		
Non-current assets due within one year	13,872,770.85	26,864,239.67
Other current assets	245,214,015.15	318,086,623.04
Total current assets	3,710,003,606.44	3,904,451,749.78

Assets	Closing balance	Beginning balance
Non-current assets:		
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	461,538,848.14	469,854,173.02
Other equity instruments investments		
Other non-current financial assets		
Investment properties	184,713,162.24	189,381,629.96
Fixed assets	767,187,265.43	809,758,804.57
Construction in progress	5,659,476.97	991,937.24
Biological assets for production		
Fuel assets		
Right-of-use assets	9,524,268.78	12,873,600.15
Intangible assets	100,414,960.22	112,250,461.87
Development expenses		
Goodwill		
Long-term expenses to be amortised	17,047,460.35	18,654,129.54
Deferred income tax assets	21,459,689.84	21,270,332.26
Other non-current assets	739,600.22	1,469,073.94
	<hr/>	<hr/>
Total non-current assets	<u>1,568,284,732.19</u>	<u>1,636,504,142.55</u>
	<hr/>	<hr/>
Total assets	<u>5,278,288,338.63</u>	<u>5,540,955,892.33</u>

<i>Head of the Company:</i>	<i>Chief Accountant:</i>	<i>Head of the Accounting</i>
Hu Huichun	Hu Shoujun	<i>Department:</i>
		Xue Gang

Consolidated Balance Sheet (Continued)

30 September 2024

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB
(Yuan)

Liabilities and owners' equity	Closing balance	Beginning balance
Current liabilities:		
Short-term loans	45,714,108.65	70,113,510.72
Borrowing from PBOC		
Customer and interbank deposits		
Placements from banks and non-bank financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	50,081,807.77	79,035,160.29
Accounts payable	1,349,468,474.21	1,438,956,161.93
Receipts in advance	188,226.94	201,635.72
Contract liabilities	130,894,847.81	90,217,009.26
Financial assets sold under repurchase agreements		
Bank charges and commissions due		
Salaries payable	21,381,592.09	52,328,572.83
Taxes payable	22,748,014.89	32,725,506.34
Other payables	91,738,198.24	97,124,968.36
Reinsurers due		
Customers' deposits held for securities brokerage		
Securities underwriting		
Liabilities held for sale		
Non-current liabilities due within one year	5,993,832.89	4,088,888.95
Other current liabilities	36,232,717.64	36,882,036.51
Total current liabilities	1,754,441,821.13	1,901,673,450.91

Liabilities and owners' equity	Closing balance	Beginning balance
Non-current liabilities:		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	5,044,533.17	9,101,840.09
Long-term payables		
Long-term staff salaries payable	4,505,876.11	5,934,601.09
Estimated liabilities		512,434.50
Deferred income	34,701,143.44	40,343,225.17
Deferred income tax liabilities	5,662,013.49	6,353,834.23
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u>49,913,566.21</u>	<u>62,245,935.08</u>
	<hr/>	<hr/>
Total liabilities	<u>1,804,355,387.34</u>	<u>1,963,919,385.99</u>
	<hr/>	<hr/>
Owners' equity:		
Share capital	913,838,529.00	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	1,470,691,800.13	1,470,691,800.13
Less: treasury share		
Other comprehensive income		
Special reserve	287,637.20	362,395.49
Surplus reserve	309,500,586.70	309,500,586.70
General risk reserve		
Undistributed profits	<u>509,915,018.75</u>	<u>608,842,680.92</u>
	<hr/>	<hr/>
Sub-total of shareholders' equity attributable to the parent company	<u>3,204,233,571.78</u>	3,303,235,992.24
Minority interests	<u>269,699,379.51</u>	<u>273,800,514.10</u>
	<hr/>	<hr/>
Total owners' equity	<u>3,473,932,951.29</u>	<u>3,577,036,506.34</u>
	<hr/>	<hr/>
Total liabilities and owners' equity	<u>5,278,288,338.63</u>	<u>5,540,955,892.33</u>

<i>Head of the Company:</i> Hu Huichun	<i>Chief Accountant:</i> Hu Shoujun	<i>Head of the Accounting Department:</i> Xue Gang
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Consolidated Income Statement

January–September 2024

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB
(Yuan)

Items	Amount for the period	Amount for the same period last year
1. Total operating revenue	1,828,298,552.68	1,946,323,717.96
Including: Operating revenue	1,828,298,552.68	1,946,323,717.96
Interests revenue		
Premiums earned		
Revenue from bank charges and commissions		
2. Total operating cost	1,954,570,604.71	2,022,103,120.16
Including: Operating cost	1,561,926,771.54	1,646,864,663.97
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	15,497,921.75	17,903,954.13
Selling expenses	35,249,361.43	35,904,566.76
Administrative expenses	184,401,981.57	184,742,883.78
R&D costs	167,315,877.83	146,238,070.05
Financial expenses	-9,821,309.41	-9,551,018.53
Including: Interest expense	367,766.46	313,367.36
Interest revenue	9,374,432.32	11,577,420.04

Items	Amount for the period	Amount for the same period last year
Add: Other gain	13,247,844.97	10,315,979.03
Investment income (losses are represented by “-”)	63,631,432.36	78,838,364.84
Including: Investment income of associates and joint ventures	51,684,675.12	66,324,702.50
Income on hedging the net exposure (losses are represented by “-”)		
Income from change in fair value (losses are represented by “-”)	422,545.63	-2,262,687.13
Loss in credit impairment (losses are represented by “-”)	-3,537,155.68	-15,168.14
Loss in assets impairment (losses are represented by “-”)	47,870.06	3,150,813.96
Gains on disposal of assets (losses are represented by “-”)	8,373.69	-153,010.01
Exchange gain (losses are represented by “-”)		
3. Operating profit (losses are represented by “-”)	-52,451,141.00	14,094,890.35
Add: Non-operating income	786,217.65	1,778,584.21
Less: Non-operating expenses	230,638.69	1,377,095.85
4. Total profit (total losses are represented by “-”)	-51,895,562.04	14,496,378.71
Less: Income tax expense	12,835,498.22	14,116,428.85
5. Net profit (net losses are represented by “-”)	-64,731,060.26	379,949.86
(1) Classified by the business continuity		
1. Net profit for going concern (net losses are represented by “-”)	-64,731,060.26	379,949.86
2. Net profit for discontinued operation (net losses are represented by “-”)		

Items	Amount for the period	Amount for the same period last year
(2) Classified by the attribution of the ownership		
1. Net profit attributable to shareholders of the parent company	-98,927,662.17	-31,714,993.75
2. Minority profit and loss	34,196,601.91	32,094,943.61
6. Net other comprehensive income after tax		
Net other comprehensive income after tax attributable to shareholders of the parent company		
(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 period	Amount for the same period last year
(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 debenture investment		
5. Cash flow hedging reserve		
6. Translation difference of financial statements in foreign currencies		
7. Others		
Net other comprehensive income after tax attributable to minority shareholders		
7. Total comprehensive income	-64,731,060.26	379,949.86
Total comprehensive income attributable to the equity holders of the parent company	-98,927,662.17	-31,714,993.75
Total comprehensive income attributable to minority shareholders	34,196,601.91	32,094,943.61
8. Earnings per share:		
(1) Basic earnings per share <i>(RMB/share)</i>	-0.1083	-0.0347
(2) Diluted earnings per share <i>(RMB/share)</i>	-0.1083	-0.0347

Head of the Company:
Hu Huichun

Chief Accountant:
Hu Shoujun

*Head of the Accounting
Department:*
Xue Gang

Consolidated Cash Flow Statement
January–September 2024

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB
(Yuan)*

Items	Amount for the period	Amount for the same period last year
1. Cash flows from operating activities:		
Cash received from the sale of goods and rendering services	1,862,872,661.87	2,325,498,003.29
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		
Cash received from interests, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchasing		
Refunds of taxes	30,056,796.83	21,428,762.81
Cash received relating to other operating activities	77,590,134.02	70,251,056.64
Sub-total of cash inflows from operating activities	<u>1,970,519,592.72</u>	<u>2,417,177,822.74</u>

Items	Amount for the period	Amount for the same period last year
Cash paid for purchase of goods and services received	1,542,161,584.35	1,754,215,025.85
Net increase in loans and advances to customers		
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 non-bank financial institutions		
Cash paid for interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	476,893,984.62	468,469,469.08
Cash paid for all types of taxes	74,924,188.90	122,648,464.54
Cash paid relating to other operating activities	<u>134,553,229.13</u>	<u>154,134,035.57</u>
Sub-total of cash outflows from operating activities	<u>2,228,532,987.00</u>	<u>2,499,466,995.04</u>
Net cash flows from operating activities	<u>-258,013,394.28</u>	<u>-82,289,172.30</u>
2. Cash flows from investing activities:		
Cash received from disposal of investments		
Cash received from return on investments	70,840,703.97	71,570,541.76
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	938,480.35	171,620.00
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investment activities	<u>1,261,697,800.00</u>	<u>820,000,000.00</u>
Sub-total of cash inflows from investing activities	<u>1,333,476,984.32</u>	<u>891,742,161.76</u>

Items	Amount for the period	Amount for the same period last year
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	23,095,748.59	6,220,103.38
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>1,187,323,380.00</u>	<u>720,000,000.00</u>
Sub-total of cash outflows from investing activities	<u>1,210,419,128.59</u>	<u>726,220,103.38</u>
Net cash flows from investing activities	<u>123,057,855.73</u>	<u>165,522,058.38</u>
3. Cash flows from financing activities:		
Cash received from investments		
Including: Cash received by subsidiaries from minority shareholders' investment		
Cash received from borrowings		18,113,510.72
Cash received from issuing bonds		
Cash received from other financing activities	<u>57,069,170.17</u>	
Sub-total of cash inflows from financing activities	<u>57,069,170.17</u>	<u>18,113,510.72</u>
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interest expenses	38,084,461.70	38,809,027.32
Including: Dividend and profit paid to minority shareholders by subsidiaries	38,084,461.70	26,015,287.92
Cash paid on other financing activities	<u>2,524,603.49</u>	<u>3,823,082.76</u>
Sub-total of cash outflows from financing activities	<u>40,609,065.19</u>	<u>42,632,110.08</u>
Net cash flows from financing activities	<u>16,460,104.98</u>	<u>-24,518,599.36</u>

Items	Amount for the period	Amount for the same period last year
4. Effect of fluctuations in exchange rates on cash and cash equivalents	<u>2,990,364.48</u>	<u>2,196,822.11</u>
5. Net increase in cash and cash equivalents	-115,505,069.09	60,911,108.83
Add: Balance of cash and cash equivalents at the beginning of the period	<u>798,419,753.09</u>	<u>954,544,289.85</u>
6. Balance of cash and cash equivalents at the end of the period	<u>682,914,684.00</u>	<u>1,015,455,398.68</u>

<i>Head of the Company:</i> Hu Huichun	<i>Chief Accountant:</i> Hu Shoujun	<i>Head of the Accounting Department:</i> Xue Gang
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By Order of the Board
Nanjing Panda Electronics Company Limited
Xia Dechuan
Chairman

Nanjing, the People's Republic of China
29 October 2024

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