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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)

## **ANNOUNCEMENT IN RELATION TO PROVISION FOR ASSET IMPAIRMENT**

**This announcement is made by Nanjing Panda Electronics Company Limited (the “Company”) pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong). The board of directors (the “Board”) and all members of the Board warrant that there is no misrepresentation, misleading statement contained in, or material omission from this announcement and accept legal responsibility for the truthfulness, accuracy and completeness of the contents herein contained.**

At the extraordinary meeting of the eleventh session of the Board and the extraordinary meeting of the eleventh session of the supervisory committee of the Company held on 17 January 2025, the “Resolution in relation to Provision for Asset Impairment” was considered and passed, respectively. To give an objective view of the condition of the assets and the operation results of the Company and ensure the truthfulness and reliability of the accounting information, the Company has conducted an impairment test for each of its assets as of 31 December 2024, and has made a corresponding provision for impairment in accordance with the requirements of the “Accounting Standards for Business Enterprises” and the relevant policies of the Company. The details are set out as follows:

### **I. OVERVIEW ON THE PROVISION FOR ASSET IMPAIRMENT**

#### **(I) Provision for bad debts on accounts receivable and other receivables**

The Company conducted impairment tests on accounts receivable, other receivables, etc., based on expected credit losses and recognised impairment losses. As a result of the tests, the aggregate amount of the provision for bad debts on accounts receivable and other receivables of the Company in 2024 amounted to approximately RMB20,431,300, and reversed and wrote-off provision for bad debts amounted to approximately RMB225,900.

## **(II) Provision for impairment on inventories, fixed assets and intangible assets**

The Company estimated the recoverable amount of its inventories, fixed assets and intangible assets and conducted impairment tests if there is an indication of impairment at the balance sheet date. As a result of the tests, the aggregate amount of the provision for impairment on inventories, fixed assets and intangible assets of the Company in 2024 amounted to approximately RMB30,733,900, and reversed and wrote-off provision for impairment amounted to approximately RMB6,920,300.

## **II. IMPACT OF THE PROVISION FOR ASSET IMPAIRMENT ON THE COMPANY**

The aggregate amount of the provision for impairment on assets of the Company in 2024 amounted to approximately RMB51,165,200 and reversed and wrote-off provision for impairment amounted to approximately RMB7,146,200, which affected the total profit in the consolidated statements of the Company by decreasing approximately RMB44,019,000.

## **III. REVIEW PROCEDURES OF THE BOARD**

At the extraordinary meeting of the eleventh session of the Board of the Company held on 17 January 2025, the “Resolution in relation to Provision for Asset Impairment” was considered and passed. The provision for asset impairment of the Company was made in accordance with the “Accounting Standards for Business Enterprises” and the relevant financial and accounting policies of the Company, with sufficient basis and in line with the situation of the assets of the Company, more fairly reflected the financial condition, the value of the assets and the operation results of the Company, and was reasonable in nature. The provision for asset impairment of the Company is hereby approved.

## **IV. AUDIT OPINIONS OF THE AUDIT COMMITTEE UNDER THE BOARD**

The audit committee reviewed and agreed to the “Resolution in relation to Provision for Asset Impairment” and submitted it to the Board for consideration. The provision for asset impairment of the Company was made in compliance with the “Accounting Standards for Business Enterprises” and the relevant financial and accounting policies of the Company. It was made with sufficient basis and in line with the situation of the assets of the Company. The provision for asset impairment was based on the principle of prudence, which will be conducive to reflecting the financial condition, the value of assets and the operation results of the Company more fairly, and contributes to a more reasonable accounting information of the Company. The provision for asset impairment of the Company is hereby approved. The provision for asset impairment has not been audited by the accounting firm and is conclusively based on the data audited by the accounting firm.

## V. OPINIONS OF THE SUPERVISORY COMMITTEE

According to the relevant provisions of the “Accounting Standards for Business Enterprises”, the provision for asset impairment of the Company was made in line with the actual situation of the Company, and the financial condition, the value of the assets and the operation results of the Company as at 31 December 2024 were fairly reflected following the provision for asset impairment. The relevant decision-making procedures comply with relevant laws and regulations. The provision for asset impairment of the Company is hereby approved.

## VI. OTHER EXPLANATIONS

The above data are preliminary calculations made by the finance department of the Company based on the current situation of the assets of the Company, and have not been audited by the accounting firm. The amount of provision for asset impairment made by the Company for the current period is subject to the final audited results. Investors are advised to pay attention to the investment risks thereof.

By Order of the Board  
**Nanjing Panda Electronics Company Limited**  
**Xia Dechuan**  
*Chairman*

Nanjing, the People’s Republic of China  
17 January 2025

*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.*