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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)

## SUMMARY OF 2021 INTERIM REPORT

### I. IMPORTANT NOTICE

1. The summary of the results of Nanjing Panda Electronics Company Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021 (the “**Reporting Period**”) is set out below. The financial statements contained in this report are unaudited. The summary of 2021 Interim Report is based on the full-length 2021 Interim Report. Investors who wish to know more details should carefully read the full text of the Interim Report simultaneously posted on the websites designated by the China Securities Regulatory Commission (“**CSRC**”), such as the website of the Shanghai Stock Exchange.
2. The board of directors, the supervisory committee, the directors, supervisors and senior management of the Company confirm that the information in this interim report is true, accurate and complete and does not contain any false representation, misleading statement or material omission, and jointly and severally accept full responsibility for the contents herein.
3. All directors of the Company attended the Board meeting.
4. This interim report of the Company is unaudited.
5. The Company would not make any profit distribution or capitalization of capital reserve for the first half of 2021.

## II. BASIC INFORMATION ABOUT THE COMPANY

### 2.1 Company profile

#### Overview of stock

Class of stock	The stock exchange on which the shares are listed	Stock abbreviation	Stock code	Stock abbreviation before change
A Share(s)	Shanghai Stock Exchange	NPEC	600775	N/A
H Share(s)	The Stock Exchange of Hong Kong Limited (the “ <b>Hong Kong Stock Exchange</b> ”)	NPEC	00553	N/A

Contact persons and contact information	Secretary to the Board	Representative of securities affairs
Name	Wang Dongdong	Wang Dongdong
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#### Interim results

The board of directors (the “**Board**”) of the Company hereby announces the unaudited interim results of the Group for the Reporting Period prepared in accordance with the PRC Accounting Standards for Business Enterprises.

As the Company adopts merely the PRC Accounting Standards for Business Enterprises for preparing its financial statements from 2016, the relevant financial data for the first half of 2021 have been presented in accordance with the PRC Accounting Standards for Business Enterprises in this announcement.

## 2.2 Major financial data of the Company (Unaudited)

Unit: Yuan Currency: RMB

	At the end of the Reporting Period (30 June 2021)	At the end of last year (31 December 2020)	Change from the end of last year (%)
Total assets	6,237,271,612.21	6,001,947,699.44	3.92
Net assets attributable to shareholders of the Company	3,504,992,186.42	3,509,430,717.97	-0.13
	Reporting Period (January - June 2021)	Corresponding period of last year (January - June 2020)	Change from corresponding period of last year (%)
Operating income	2,169,456,301.72	1,714,155,014.36	26.56
Net profit attributable to shareholders of the Company	18,273,010.95	12,683,154.91	44.07
Net profit attributable to shareholders of the Company after deducting extraordinary profit and loss	6,012,972.37	928,618.66	547.52
Net cash flow from operating activities	-45,434,137.31	88,278,305.28	-151.47
Weighted average return on net assets (%)			Increased by 0.15 percentage point
	0.52	0.37	
Basic earnings per share (RMB/share)	0.0200	0.0139	44.07
Diluted earnings per share (RMB/share)	0.0200	0.0139	44.07

Explanations on major accounting information and financial indicators of the Company:

The increases in net profit attributable to shareholders of the Company and net profit attributable to shareholders of the Company after deducting extraordinary profit and loss were mainly due to the period-on-period increase in income and profit from modern digital city business.

### 2.3 Total number of shareholders, shareholdings of the top ten shareholders and top ten holders of tradable shares (or holders of shares not subject to trading moratorium) as at the end of the Reporting Period

Unit: shares

Total number of shareholders as at the end of the Reporting Period 54,557

Name of Shareholder	Shareholdings of top ten shareholders			Number of shares held subject to trading moratorium	Number of pledged, tagged or frozen shares
	Type of shareholders	Percentage of shareholding (%)	Number of shares held		
HKSCC (Nominees) Limited	Overseas legal person	26.94	246,190,500	0	Unknown
Panda Electronics Group Limited (“PEGL”)	State-owned legal person	23.05	210,661,444	0	Unknown
China Huarong Assets Management Co., Ltd.	State-owned legal person	7.06	64,471,891	0	Unknown
Nanjing Electronics Information Industrial Corporation (“NEIIC”)	State-owned legal person	3.93	35,888,611	0	Unknown
Guoxin Investment Co., Ltd.	State-owned legal person	2.38	21,720,941	0	Unknown
Zhang Desheng(張德勝)	Domestic natural person	0.45	4,105,082	0	Unknown
Chen Linfa(陳林法)	Domestic natural person	0.31	2,804,000	0	Unknown
Zhao Dongling (趙東嶺)	Domestic natural person	0.29	2,650,800	0	Unknown
Ma Jiangfeng (馬江峰)	Domestic natural person	0.27	2,451,416	0	Unknown
Dong Jun(董俊)	Domestic natural person	0.21	1,929,555	0	Unknown
Description on connected relationship or party acting in concert among the aforesaid shareholders	NEIIC holds 100% equity interests of PEGL, the controlling shareholder of the Company. NEIIC holds, directly and through asset management plans, 22,120,611 A shares and 13,768,000 H shares of the Company, representing 3.93% of the total number of shares. NEIIC indirectly holds 210,661,444 A shares of the Company through PEGL, representing 23.05% of the total number of shares. In total, NEIIC holds 26.98% equity interests of the Company. CEIEC (H.K.) Limited (華電有限公司), a wholly-owned subsidiary of China Electronics Corporation (“CEC”), holds 27,414,000 H shares of the Company, representing 3% of the total number of shares, which are held under the name of HKSCC (Nominees) Limited. In conclusion, CEC, the de facto controller of the Company, holds 29.98% shares of the Company through its subsidiaries. Save as disclosed above, the Company is not aware of any connected relationship or party acting in concert among the aforesaid shareholders.				

*Notes:*

As at the end of the Reporting Period, HKSCC (Nominees) Limited held 246,190,500 shares (including 241,655,470 H shares and 4,535,030 A shares) of the Company on behalf of a number of clients, representing 26.94% of the total issued share capital of the Company, which includes 13,768,000 H shares held by NEIIC 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 individual client holding more than 5% of the total issued share capital of the Company.

**2.4 Particulars of the total number of holders of preferred shares and the top 10 holders of preferred shares as at the end of the Reporting Period**

Applicable     N/A

**2.5 Change in the controlling shareholder or the de facto controller**

Applicable     N/A

During the Reporting Period, there was no change in the controlling shareholder and the de facto controller of the Company, being PEGL and CEC, respectively.

To the best knowledge of the Company having made all reasonable enquiries, CEC confirmed that as at the date of this report, CEC held 232,782,055 A shares and 41,182,000 H shares in the Company through its subsidiaries, with 273,964,055 shares in aggregate, representing 29.98% of the total share capital of the Company. In particular, it held 22,120,611 A shares and 13,768,000 H shares in the Company through its controlling subsidiary, NEIIC, representing 3.93% in aggregate of the total issued capital of the Company; it held 210,661,444 A shares in the Company through a wholly-owned subsidiary of NEIIC, PEGL, representing 23.05% of the total issued capital of the Company; it held 27,414,000 H shares in the Company through its overseas wholly-owned subsidiary, CEIEC (H.K.) Limited, representing 3.00% of the total issued capital of the Company.

**2.6 Information on bonds outstanding as at the date on which the interim report was approved for publication**

Applicable     N/A

### III. MANAGEMENT DISCUSSION AND ANALYSIS

#### 3.1 The discussion and analysis on the operation

In the first half of 2021, in response to the complicated situation of significantly increasing risks and challenges in every aspect, the Company sought progress while maintaining stability, continuously optimized the industrial structure, promoted scientific research and innovation, deepened the implementation of comprehensive lean management, strengthened quality and efficiency improvement and effectively prevented risks, thus promoting the sustainable development of the Company. During the Reporting Period, due to the period-on-period increase in income from modern digital city business, the Company recorded operating income of RMB2,169,456,300, total profit of RMB53,423,300 and net profit attributable to the parent company of RMB18,273,000.

##### 3.1.1 Analysis of principal operations

###### (1) Analysis of changes in relevant items in the financial statements (Unaudited)

Unit: Yuan Currency: RMB

Item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Operating income	2,169,456,301.72	1,714,155,014.36	26.56
Operating costs	1,902,189,343.93	1,473,529,076.93	29.09
Cost of sales	26,374,358.04	24,169,354.68	9.12
Administrative expenses	118,753,604.90	111,969,241.96	6.06
Financial expenses	-12,117,300.61	897,662.47	-1,449.87
R&D expenses	102,863,123.01	82,730,115.43	24.34
Net cash flows from operating activities	-45,434,137.31	88,278,305.28	-151.47
Net cash flows from investment activities	7,541,552.32	56,497,866.06	-86.65
Net cash flows from financing activities	10,263,585.18	-9,948,582.15	N/A
Gain from change in fair value	1,211,375.22	567,858.44	113.32
Credit impairment losses	3,651,766.84	-275,560.22	N/A
Gains on disposal of assets	-652,003.85	126,613.83	-614.95
Non-operating income	973,536.29	7,039,751.70	-86.17
Non-operating expenses	208,592.65	521,218.12	-59.98

Reasons for the changes:

Reasons for the change in the operating income: Mainly due to the period-on-period increase in income from modern digital city business;

Reasons for the change in the operating costs: Mainly due to the increase in income and the period-on-period increase in cost from modern digital city business during the period;

Reasons for the change in financial expenses: Mainly due to the exchange losses from the previous period turning into exchange gains for the period as a result of the impact of change in RMB exchange rate;

Reasons for the change in the R&D expenses: Mainly due to the increase in labor costs of R&D staff;

Reasons for the change in net cash flows from operating activities: Mainly due to the increase in cash paid for purchase of goods and receipt of services for the period;

Reasons for the change in net cash flows from investment activities: Mainly due to the wealth management products purchased for the period which were yet to mature at the end of the period;

Reasons for the change in net cash flows from financing activities: Mainly due to repayment of short-term borrowings from banks during the previous period;

Reasons for the change in gain from change in fair value: Mainly due to the gain generated from change in fair value of financial assets held for trading at the end of the period;

Reasons for the change in credit impairment losses: Mainly due to partial reversal of bad debts provision for accounts receivable during the period;

Reasons for the change in gains on disposal of assets: Mainly due to the increase in losses on disposal of non-current assets for the period;

Reasons for the change in non-operating income: Mainly due to the refund received in the previous period for tax prepaid for previous periods;

Reasons for the change in non-operating expenses: Mainly due to the donation made during the previous period.

(2) Analysis of assets and liabilities

Unit: Yuan Currency: RMB

Item	Amount at the end of the period	Amount at the end of the period as a percentage of the total assets (%)	Amount at the end of the previous period	Amount at the end of the previous period as a percentage of the total assets (%)	Change in the amount at the end of the period as compared to the amount at the end of the previous period (%)	Remarks
Monetary funds	1,334,741,729.58	21.40	1,315,726,827.97	21.92	1.45	
Notes receivable	61,745,773.75	0.99	35,394,835.82	0.59	74.45	Mainly due to the increase in products sold by the Company for the period which were settled by notes
Accounts receivable	1,305,475,422.76	20.93	1,161,870,914.59	19.36	12.36	
Financing receivables	38,783,104.31	0.62	144,969,078.62	2.42	-73.25	Mainly because part of the notes receivable, which were recognized as financing receivables, became due
Prepayments	149,654,863.81	2.40	109,660,420.50	1.83	36.47	Mainly due to the increase in prepayment made for purchases for the period
Inventories	1,035,095,671.72	16.60	791,346,543.93	13.18	30.80	Mainly due to the increase in stock of certain major raw materials in response to higher prices of materials
Contract assets	29,442,213.67	0.47	76,231,842.63	1.27	-61.38	Mainly due to the transfer of certain contract assets recognized at the beginning of the period into accounts receivables for the period
Investment properties	231,058,276.65	3.70	235,008,179.80	3.92	-1.68	
Long-term equity investments	314,106,372.58	5.04	295,182,882.84	4.92	6.41	
Fixed assets	931,209,038.55	14.93	964,778,076.38	16.07	-3.48	
Construction in progress	6,801,669.53	0.11	7,346,214.86	0.12	-7.41	

Item	Amount at the end of the period	Amount at the end of the period as a percentage of the total assets (%)	Amount at the end of the previous period	Amount at the end of the previous period as a percentage of the total assets (%)	Change in the amount at the end of the period as compared to the amount at the end of the previous period (%)	Remarks
Right-of-use assets	11,036,538.06	0.18	13,522,566.06	0.23	-18.38	
Contract liabilities	222,516,691.25	3.57	183,520,790.45	3.06	21.25	
Lease liabilities	5,640,732.69	0.09	8,141,702.09	0.14	-30.72	Due to scheduled payment of rental for the period
Other non-current assets	48,927,533.61	0.78	81,767,440.76	1.36	-40.16	Due to recovering part of project quality guarantee deposit with warranty period over one year
Staff salaries payable	24,981,028.33	0.40	37,405,445.62	0.62	-33.22	Mainly due to payment of salary, bonus and salary-related expense for the period
Other payables	122,043,309.20	1.96	90,865,482.11	1.51	34.31	Mainly due to the provision made for dividend payable for ordinary shares for the period
Deferred income tax liabilities	721,624.78	0.01	326,863.37	0.01	120.77	Mainly due to the deferred income tax liabilities provided for change in fair value of financial assets held for trading and other equity instruments investment
Other comprehensive income	719,171.18	0.01	318,704.84	0.01	125.65	Due to the changes in fair value of other equity instrument investment at fair value through other comprehensive income for the period
Special reserve	647,163.27	0.01			N/A	Due to the provision made for production safety expenses which is yet to be utilised

## 3.2 Analysis of investments

### 3.2.1 Overall analysis of equity investment

In the first half of 2021, the Company proceeded with investments in fixed assets and relevant projects in a prudent, standardized and disciplined manner as required by the Board and in strict compliance with the annual capital expenditure budget and actual operating situation.

### 3.2.2 Analysis of major subsidiaries and investee companies

#### (1) Information of major subsidiaries

From January to June in 2021, the Company delved into its three principal businesses and exerted great efforts in expanding the market in a bid to consistently enhance its comprehensive profitability. Currently, the major subsidiaries of the Company are carrying out orderly operations. The overview of major subsidiaries is set out below:

*Unit: 0'000    Currency: RMB*

Subsidiary	Major products or services	Registered capital	30 June 2021		Total assets	Net assets	January to June 2021	
			Percentage of shareholding				Operating income	Net profit
Nanjing Panda Electronics Equipment Co., Ltd	Manufacture and sale of automatic transmission equipment and industrial robots	19,000.00	100%		58,309	22,677	10,441	-3,520
Nanjing Panda Information Industry Co., Ltd	Production and sale of AFC and ACC systems and equipment of railway transit, building intellectualization and system integration	USD3,194.6435	82%		150,574	51,846	54,592	1,958
Nanjing Panda Electronic Manufacture Co., Ltd	EMS services	USD2,000	75%		110,603	49,263	70,442	2,370
Nanjing Panda Communications Technology Co., Ltd	Manufacture and sale of mobile communication, digital communication and network communication systems and products	10,000.00	100%		29,241	18,150	7,505	667
Nanjing Panda Xinxing Industrial Co., Ltd.	Property and catering services	2,000.00	100%		7,045	5,270	5,912	115
Nanjing Panda Electronic Technology Development Company Limited	Manufacturing of general purpose equipment, software development, and property management	70,000.00	100%		65,078	58,275	738	-823
Shenzhen Jinghua Electronics Co., Ltd.	Research and development, manufacturing and sales of communication equipment and digital products	11,507.00	43.34%		60,723	41,548	42,728	3,329
Chengdu Panda Electronic Technology Co., Ltd.	Electronic manufacturing service	2,000.00	100%		50,111	6,319	26,876	1,274

For details of investment costs and the movements, please refer to relevant information in “Notes to main items of financial statements of the parent company” set out in the notes to the financial statements.

(2) *Information of major investee companies (January to June 2021)*

*Unit: 0'000 Currency: RMB*

<b>Name of investee company</b>	<b>Operating income</b>	<b>Net Profit</b>	<b>Equity interests held by the Company</b>	<b>Investment Income received by the Company</b>
Nanjing Ericsson Panda Communication Co., Ltd. (“ENC”)	337,921.70	7,952.21	27%	2,147.10

ENC was set up on 15 September 1992 with a total investment of US\$40.88 million and a registered capital of US\$20.9 million. ENC is held as to 27% by the Company, 51% by Ericsson (China) Company Limited, 20% by China Potevio Co., Ltd., and 2% by Yung Shing Enterprise, Hong Kong. ENC mainly engages in production of mobile telecommunication system equipment and public network communications system equipment, etc. As the biggest production and supply center of Ericsson in the world, ENC is now mainly in charge of the industrialization and mass production of the products that Ericsson developed and makes delivery and shipment to customers worldwide.

Operating income of ENC from January to June 2021 amounted to RMB3,379,217,000, representing a period-on-period decrease of 27%; net profit amounted to RMB79,522,100, representing a period-on-period decrease of 13%. Reason(s) for changes in the main indicators: as domestic sales of 5G products by way of centralised purchase was affected, which caused the decrease in operating income and net profit over the same period of last year.

### **3.3 Plan for Profit Distribution or Capitalization of Capital Reserve**

#### ***3.3.1 Plans for profit distribution and capitalization of capital reserve for the first half year***

The Company will not make any profit distribution or convert any capital reserve into share capital for the first half of 2021.

### ***3.3.2 Implementation of or adjustment to the profit distribution plan during the Reporting Period***

The resolution in relation to the profit distribution plan for the year 2020 was considered and approved at the eighteenth meeting of the ninth session of the Board of the Company and the 2020 annual general meeting of the Company, pursuant to which, a cash dividend of RMB0.26 (tax inclusive) for every ten shares was distributed to all the shareholders on the basis of a total share capital of 913,838,529 shares as at 31 December 2020, with the total cash dividend distributed amounting to RMB23,759,801.75, and the remaining profits will be carried forward to next year. The Company would not make any capitalization of capital reserve. As at the date of this report, the profit distribution plan had been duly implemented. For details, please refer to the announcements published by the Company in China Securities Journal and Shanghai Securities News and on the website of Shanghai Stock Exchange on 27 March 2021, 30 June 2021 and 7 July 2021 and on the website of the Hong Kong Stock Exchange on 26 March 2021, 29 June 2021 and 7 July 2021, respectively.

## **3.4 Other matters**

### ***3.4.1 Liquidity of capital***

As shown in the consolidated financial statements of the Company prepared under the PRC Accounting Standards for Business Enterprises, as at 30 June 2021, the Company's gearing ratio (the ratio of total liabilities to total assets) was 39.68%; current liabilities amounted to RMB2,442 million; liquidity ratio was 1.85; quick ratio was 1.36; bank deposits and cash amounted to RMB1,335 million; and short-term bank and other loans amounted to RMB0.

According to the announcement of the National Interbank Funding Center authorized by the People's Bank of China, during the Reporting Period, as of 21 June 2021, the LPR for 1-year was 3.85%, and the LPR for more than 5-year was 4.65%; as of 20 August 2021, the LPR for 1-year was 3.85%, and the LPR for more than 5-year was 4.65%.

### ***3.4.2 Purchase, sale or redemption of the Company's listed shares***

During the Reporting Period, the Group did not purchase, sell or redeem any of the Company's listed shares.

### ***3.4.3 Liability insurance for Directors, supervisors and senior management***

During the Reporting Period, the Company purchased liability insurance for its Directors, supervisors and senior management in compliance with relevant requirements under the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”).

### ***3.4.4 Corporate Governance Code***

During the Reporting Period, the Company has adopted and complied with the provisions under the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

### ***3.4.5 Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”)***

During the Reporting Period, the Company has adopted and complied with the Model Code as set out in Appendix 10 to the Listing Rules. Having made specific enquiries to the Directors, all Directors have confirmed that they complied with the Model Code during the Reporting Period.

### ***3.4.6 Events after the Reporting Period***

As at the date of this announcement, the Group did not record any material events after the Reporting Period.

## **3.5 Audit committee**

The audit committee and the management of the Company have reviewed the accounting principles and accounting standards and methods adopted by the Company, discussed the matters relating to internal control and reviewed the interim results for the Reporting Period. The audit committee is of the opinion that the relevant financial report complies with the applicable accounting standards and laws and that adequate disclosure has been made.

The audit committee convened a meeting on 26 March 2021 to review 2020 financial report of the Company and the summary report on audit work in 2020 performed by BDO China Shu Lun Pan Certified Public Accountants LLP and agreed to submit the same to the Board for review. The appointment of BDO China Shu Lun Pan Certified Public Accountants LLP as the Company’s international, domestic and internal control auditors for 2021 was agreed at the meeting and relevant proposal was submitted to the Board for consideration.

Having reviewed the unaudited financial report of the Company for the six months ended 30 June 2021, the audit committee is of the opinion that the financial report complies with the applicable accounting standards and laws and that adequate disclosure has been made.

### **3.6 Appointment and Removal of Auditors**

At the eighteenth meeting of the ninth session of the Board, the resolution in relation to the Appointment of the Auditors for 2021 was considered and approved, whereby it was proposed that BDO China Shu Lun Pan Certified Public Accountants LLP be re-appointed as the Company's international auditor, PRC auditor and internal control auditor for 2021 and that their remuneration be determined within the limit of RMB2.48 million and it was agreed that the same be submitted to the 2020 annual general meeting of the Company for shareholders' consideration.

The 2020 annual general meeting of the Company considered and approved the reappointment of BDO China Shu Lun Pan Certified Public Accountants LLP as the Company's international auditor, PRC auditor and internal control auditor for 2021, and authorized the Board to determine their remuneration within the limit of RMB2.48 million.

For details, please refer to the relevant announcements of the Company published in China Securities Journal and Shanghai Securities News and on the website of Shanghai Stock Exchange on 27 March 2021 and 30 June 2021 and on the website of the Hong Kong Stock Exchange on 26 March 2021 and 29 June 2021.

## **IV. SIGNIFICANT EVENTS**

The Company shall explain the major changes in its business operations during the Reporting Period and those events occurring during the Reporting Period and with a significant impact on the business operations of the Company and expected to have a significant impact in the future in accordance with the principle of materiality.

Applicable     Not Applicable

**V. FINANCIAL REPORT (PREPARED IN ACCORDANCE WITH THE PRC ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES)**

**Consolidated Balance Sheet**

*As at 30<sup>th</sup> June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

<b>Asset</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>Current assets:</b>		
Monetary funds	<b>1,334,741,729.58</b>	1,315,726,827.97
Settlement provisions		
Placements with banks and other financial institutions		
Financial assets measured at fair value through profit or loss		
Financial assets held for trading	<b>472,567,951.40</b>	501,356,576.18
Derivative financial assets		
Notes receivable	<b>61,745,773.75</b>	35,394,835.82
Accounts receivable	<b>1,305,475,422.76</b>	1,161,870,914.59
Financing receivables	<b>38,783,104.31</b>	144,969,078.62
Advance to suppliers	<b>149,654,863.81</b>	109,660,420.50
Premium receivables		
Reinsurance receivables		
Reinsurance contract reserve receivable		
Other receivables	<b>51,022,838.15</b>	50,074,829.20
Financial assets held under resale agreements		
Inventories	<b>1,035,095,671.72</b>	791,346,543.93
Contract assets	<b>29,442,213.67</b>	76,231,842.63
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	<b><u>32,470,961.58</u></b>	<u>28,763,433.11</u>
<b>Total current assets</b>	<b><u>4,511,000,530.73</u></b>	<u>4,215,395,302.55</u>

**Consolidated Balance Sheet** (Continued)  
As at 30<sup>th</sup> June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Asset	Closing balance	Opening balance
<b>Non-current assets:</b>		
Loans and advances to customers		
Available-for-sale financial assets		
Held-to-maturity investments		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	314,106,372.58	295,182,882.84
Other equity instruments investments	4,608,894.92	4,074,939.80
Other non-current financial assets		
Investment properties	231,058,276.65	235,008,179.80
Fixed assets	931,209,038.55	964,778,076.38
Construction in progress	6,801,669.53	7,346,214.86
Biological assets for production		
Fuel assets		
Right-of-use assets	11,036,538.06	13,522,566.06
Intangible assets	153,172,793.81	157,943,967.01
Development expenses		
Goodwill		
Long-term expenses to be amortised	9,314,868.67	10,767,289.92
Deferred income tax assets	16,035,095.10	16,160,839.46
Other non-current assets	48,927,533.61	81,767,440.76
<b>Total non-current assets</b>	<b>1,726,271,081.48</b>	<b>1,786,552,396.89</b>
<b>Total assets</b>	<b>6,237,271,612.21</b>	<b>6,001,947,699.44</b>

**Consolidated Balance Sheet** (Continued)  
As at 30<sup>th</sup> June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Current liabilities:</b>		
Short-term loans		
Borrowings from central bank		
Customer deposits and deposits from banks and other financial institutions		
Placements from banks and other financial institutions		
Financial liabilities at fair value through profit and loss		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payables	<b>230,767,880.67</b>	193,125,064.34
Accounts payable	<b>1,748,518,452.02</b>	1,598,171,215.24
Advance receipts from customers	<b>3,692,312.12</b>	3,394,006.00
Contract liabilities	<b>222,516,691.25</b>	183,520,790.45
Financial assets sold under repurchase agreements		
Bank charges and commissions due		
Staff salaries payable	<b>24,981,028.33</b>	37,405,445.62
Taxes payable	<b>24,743,009.92</b>	30,758,945.68
Other payables	<b>122,043,309.20</b>	90,865,482.11
Reinsurers due		
Insurance contract reserves		
Security trading of agency		
Securities underwriting		
Liabilities held for sale		
Non-current liabilities due within one year	<b>9,423,044.91</b>	8,170,178.10
Other current liabilities	<b>55,589,723.54</b>	70,422,975.07
<b>Total current liabilities</b>	<b>2,442,275,451.96</b>	2,215,834,102.61

**Consolidated Balance Sheet** *(Continued)*  
*As at 30<sup>th</sup> June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Non-current liabilities:</b>		
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	<b>5,640,732.69</b>	8,141,702.09
Long-term payables		
Long-term staff salaries payables	<b>13,224,261.24</b>	15,981,789.25
Estimated liabilities		
Deferred income	<b>13,202,994.91</b>	15,283,181.46
Deferred income tax liabilities	<b>721,624.78</b>	326,863.37
Other non-current liabilities		
	_____	_____
<b>Total non-current liabilities</b>	<b>32,789,613.62</b>	39,733,536.17
	_____	_____
<b>Total liabilities</b>	<b>2,475,065,065.58</b>	2,255,567,638.78
	=====	=====

**Consolidated Balance Sheet** *(Continued)*  
*As at 30<sup>th</sup> June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<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>719,171.18</b>	318,704.84
Special reserve	<b>647,163.27</b>	
Surplus reserve	<b>267,682,027.88</b>	267,682,027.88
General risk reserve		
Undistributed profits	<b>851,413,494.96</b>	856,899,656.12
<b>Subtotal of equity attributable to the shareholders of the parent company</b>	<b>3,504,992,186.42</b>	3,509,430,717.97
<b>Minority interests</b>	<b>257,214,360.21</b>	236,949,342.69
<b>Total shareholders' equity</b>	<b>3,762,206,546.63</b>	3,746,380,060.66
<b>Total liabilities and shareholders' equity</b>	<b>6,237,271,612.21</b>	6,001,947,699.44

*Head of the Accounting*

*Legal representative:*

**Xia Dechuan**

*Chief Accountant:*

**Hu Dali**

*Department:*

**Liu Xianfang**

## Consolidated Income Statement

January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the current period	Amount for corresponding period of last year
<b>1. Total operating income</b>	<b>2,169,456,301.72</b>	1,714,155,014.36
Including: Operating income	<b>2,169,456,301.72</b>	1,714,155,014.36
Interest income		
Premiums earned		
Fee and commission income		
<b>2. Total operating cost</b>	<b>2,148,036,956.24</b>	1,705,633,918.28
Including: Operating costs	<b>1,902,189,343.93</b>	1,473,529,076.93
Interest expenses		
Fee and commission expense		
Surrenders		
Net payment from indemnity		
Net provisions for insurance contract		
Insurance policy dividend paid		
Reinsurance cost		
Tax and surcharges	<b>9,973,826.97</b>	12,338,466.81
Selling expenses	<b>26,374,358.04</b>	24,169,354.68
Administrative expenses	<b>118,753,604.90</b>	111,969,241.96
R&D costs	<b>102,863,123.01</b>	82,730,115.43
Financial expenses	<b>-12,117,300.61</b>	897,662.47
Including: Interest expense	<b>339,134.13</b>	682,708.34
Interest income	<b>8,977,287.57</b>	4,793,080.75
Add: Other gains	<b>6,827,016.37</b>	8,490,572.39
Investment income (losses are represented by “-”)	<b>24,418,619.55</b>	27,722,156.71
Including: Investment income from associates and joint ventures	<b>18,923,489.74</b>	24,311,699.21
Income on hedging the net exposure (losses are represented by “-”)		
Gains arising from changes in fair value (losses are represented by “-”)	<b>1,211,375.22</b>	567,858.44
Credit impairment loss (losses are represented by “-”)	<b>3,651,766.84</b>	-275,560.22
Asset impairment loss (losses are represented by “-”)	<b>-4,217,750.65</b>	-3,479,946.92
Gains on disposal of assets (losses are represented by “-”)	<b>-652,003.85</b>	126,613.83
Exchange gain (losses are represented by “-”)		

**Consolidated Income Statement** *(Continued)*  
*January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

Items	Amount for the current period	Amount for corresponding period of last year
<b>3. Operating profit (losses are represented by “-”)</b>	<b>52,658,368.96</b>	41,672,790.31
Add: Non-operating income	<b>973,536.29</b>	7,039,751.70
Less: Non-operating expenses	<b>208,592.65</b>	521,218.12
<b>4. Total profit (total losses are represented by “-”)</b>	<b>53,423,312.60</b>	48,191,323.89
Less: Income tax expense	<b>14,885,284.13</b>	15,948,979.98
<b>5. Net profit (net losses are represented by “-”)</b>	<b>38,538,028.47</b>	32,242,343.91
(1) Classified by the business continuity		
1. Net profit for going concern (net losses are represented by “-”)	<b>38,538,028.47</b>	32,242,343.91
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 shareholders of the parent company	<b>18,273,010.95</b>	12,683,154.91
2. Minority interests	<b>20,265,017.52</b>	19,559,189.00
<b>6. Net other comprehensive income after tax</b>	<b>400,466.34</b>	12,847.52
Net other comprehensive income after tax attributable to the shareholders of the parent company	<b>400,466.34</b>	12,847.52
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss	<b>400,466.34</b>	12,847.52
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>400,466.34</b>	12,847.52
4. Changes in fair value of the enterprise’s own credit risk		

**Consolidated Income Statement** *(Continued)*  
*January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

Items	Amount for the current period	Amount for corresponding period of 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. 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 debt 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>7. Total comprehensive income</b>	<b>38,938,494.81</b>	32,255,191.43
Total comprehensive income attributable to the equity holders of the parent company	<b>18,673,477.29</b>	12,696,002.43
Total comprehensive income attributable to minority shareholders	<b>20,265,017.52</b>	19,559,189.00
<b>8. Earnings per share:</b>		
(1) Basic earnings per share <i>(RMB/share)</i>	<b>0.0200</b>	0.0139
(2) Diluted earnings per share <i>(RMB/share)</i>	<b>0.0200</b>	0.0139

*Legal representative:*  
**Xia Dechuan**

*Chief Accountant:*  
**Hu Dali**

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

# Consolidated Statement of Changes in Shareholders' Equity

## January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the Period												
	Equity attributable to the shareholders of parent company					Other equity instrument							
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Minority interests	Total shareholders' equity
I. Balance at the end of prior year	913,838,529.00			1,470,691,800.13	1,470,691,800.13		318,704.84		267,682,027.88		856,899,656.12	236,949,342.69	3,746,380,060.66
Add: Changes in accounting policies													
Business combination involving entities under common control													
Others													
II. Balance at the beginning of current year	913,838,529.00			1,470,691,800.13	1,470,691,800.13		318,704.84		267,682,027.88		856,899,656.12	236,949,342.69	3,746,380,060.66
III. Changes of current year (decreases are represented by “-”)													
(I) Total comprehensive income							400,466.34	647,163.27			-5,486,161.16	20,265,017.52	15,826,485.97
(II) Share capital contributed or withdrawn by shareholders							400,466.34				18,273,010.95	20,265,017.52	38,938,494.81
1. Share capital contributed by shareholders													
2. Capital contributed by holders of other equity instruments													
3. Amount of share-based payment included in shareholder's equity													
4. Others													
(III) Profit distribution											-23,759,172.11		-23,759,172.11
1. Appropriation of surplus reserve													
2. Appropriation of general risk reserve													
3. Appropriation of profit to shareholders													
4. Others													
(IV) Internal carry-over within shareholders' equity													
1. Transfer of capital reserve to share capital													
2. Transfer of surplus reserve to share capital													
3. Surplus reserve to cover losses													
4. Change in defined benefit plan carried over to retained earnings													
5. Other comprehensive income carried over to retained earnings													
6. Others													
(V) Appropriation and application of special reserve								647,163.27					647,163.27
1. Appropriation of special reserve in the period								922,826.23					922,826.23
2. Application of special reserve in the period								275,662.96					275,662.96
(VI) Others													
IV. Balance at the end of the year	913,838,529.00			1,470,691,800.13	1,470,691,800.13		719,171.18	647,163.27	267,682,027.88		851,413,494.96	257,214,360.21	3,762,206,546.63

# Consolidated Statement of Changes in Shareholders' Equity (Continued)

## January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the corresponding period of last year												
	Equity attributable to the shareholders of parent company					Other equity instrument							
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Minority interests	Total shareholders' equity
<b>I. Balance at the end of prior year</b>	913,838,529.00			1,470,691,800.13	1,470,691,800.13		289,154.46		258,647,274.54		804,605,994.12	240,484,054.34	3,688,556,806.59
Add: Changes in accounting policies													
Error correction of previous period													
Business combination involving entities under common control													
Others													
<b>II. Balance at the beginning of current year</b>	913,838,529.00			1,470,691,800.13	1,470,691,800.13		289,154.46		258,647,274.54		804,605,994.12	240,484,054.34	3,688,556,806.59
<b>III. Changes of current year (decreases are represented by "-")</b>													
(I) Total comprehensive income							12,847.52				-3,309,019.35	19,559,189.00	16,263,017.17
(II) Share capital contributed or withdrawn by shareholders							12,847.52				12,683,154.91	19,559,189.00	32,255,191.43
1. Share capital contributed by shareholders													
2. Capital contributed by holders of other equity instruments													
3. Amount of share-based payment included in shareholders' equity													
4. Others													
(III) Profit distribution													
1. Appropriation of surplus reserve													
2. Appropriation of general risk reserve													
3. Appropriation of profit to shareholders													
4. Others													
(IV) Internal carry-over within shareholders' equity													
1. Transfer of capital reserve to share capital													
2. Transfer of surplus reserve to share capital													
3. Surplus reserve to cover losses													
4. Carry-over changes arising from remeasurement of net liabilities or net assets under defined benefit plan													
5. Others													
(V) Appropriation and application of special reserve													
1. Appropriation of special reserve in the period													
2. Application of special reserve in the period													
(VI) Others													
<b>IV. Balance at the end of the year</b>	913,838,529.00			1,470,691,800.13	1,470,691,800.13		302,001.98		258,647,274.54		801,296,974.77	260,043,243.34	3,704,819,823.76

**Legal representative:**  
**Xia Dechuan**

**Chief Accountant:**  
**Hu Dali**

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

## Consolidated Cash Flow Statement

January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the current period	Amount for corresponding period of last year
<b>1. Cash flows from operating activities</b>		
Cash received from the sale of goods and rendering of services	<b>2,371,804,297.88</b>	1,555,368,670.30
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 amount of 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>32,013,024.29</b>	19,266,637.31
Cash received relating to other operating activities	<b>125,890,264.32</b>	145,686,152.79
<b>Sub-total of cash inflows from operating activities</b>	<b>2,529,707,586.49</b>	1,720,321,460.40
Cash paid on purchase of goods and services received	<b>2,070,447,777.91</b>	1,200,762,009.37
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 interest, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	<b>229,020,147.96</b>	195,909,517.10
Cash paid for all types of taxes	<b>67,289,992.30</b>	56,899,545.18
Cash paid relating to other operating activities	<b>208,383,805.63</b>	178,472,083.47
<b>Sub-total of cash outflows from operating activities</b>	<b>2,575,141,723.80</b>	1,632,043,155.12
<b>Net cash flows generated from operating activities</b>	<b>-45,434,137.31</b>	88,278,305.28

**Consolidated Cash Flow Statement** (Continued)  
January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the current period	Amount for corresponding period of last year
<b>2. Cash flows from investing activities:</b>		
Cash received from disposal of investments		
Cash received from return on investments	<b>5,998,618.74</b>	4,057,102.17
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	<b>214,565.00</b>	304,182.90
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investing activities	<b>910,000,000.00</b>	692,394,283.50
<b>Sub-total of cash inflows from investing activities</b>	<b>916,213,183.74</b>	696,755,568.57
Cash paid on purchase of fixed assets, intangible assets and other long-term assets	<b>24,290,545.40</b>	32,863,419.01
Cash paid for investments		
Net increase in secured loans		
Net cash paid on acquisition of subsidiaries and other operating entities		
Cash paid relating to other investing activities	<b>884,381,086.02</b>	607,394,283.50
<b>Sub-total of cash outflows from investing activities</b>	<b>908,671,631.42</b>	640,257,702.51
<b>Net cash flows generated from investing activities</b>	<b>7,541,552.32</b>	56,497,866.06

**Consolidated Cash Flow Statement** *(Continued)*  
*January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

Items	Amount for the current period	Amount for corresponding period of last year
<b>3. Cash flows from financing activities:</b>		
Cash received from investment		
Including: Cash received by subsidiaries from minority shareholders' investment		
Cash received from borrowings		
Cash received from issuing bonds		
Cash received relating to other financing activities	<b>11,836,055.52</b>	43,570,096.40
<b>Sub-total of cash inflows from financing activities</b>	<b>11,836,055.52</b>	43,570,096.40
Cash paid on repayment of borrowings		50,000,000.00
Cash paid on distribution of dividends or profits, or interests expenses		682,708.34
Including: dividend and profit paid to minority shareholders by subsidiaries		
Cash paid on other financing activities	<b>1,572,470.34</b>	2,835,970.21
<b>Sub-total of cash outflows from financing activities</b>	<b>1,572,470.34</b>	53,518,678.55
<b>Net cash flows generated from financing activities</b>	<b>10,263,585.18</b>	-9,948,582.15
<b>4. Effect of fluctuations in exchange rates on cash and cash equivalents</b>	<b>-368,153.23</b>	1,321,800.21
<b>5. Net increase in cash and cash equivalents</b>	<b>-27,997,153.04</b>	136,149,389.40
Add: balance of cash and cash equivalents at the beginning of the period	<b>1,149,052,807.58</b>	863,141,377.23
<b>6. Balance of cash and cash equivalents at the end of the period</b>	<b>1,121,055,654.54</b>	999,290,766.63

*Legal representative:*  
**Xia Dechuan**

*Chief Accountant:*  
**Hu Dali**

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

## Balance Sheet

As at 30<sup>th</sup> June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Assets	Closing balance	Opening balance
<b>Current assets:</b>		
Monetary funds	<b>153,402,268.00</b>	182,893,267.89
Financial assets measured at fair value through profit and loss		
Financial assets held for trading	<b>95,086,038.81</b>	85,149,138.89
Derivative financial assets		
Notes receivables		
Accounts receivable	<b>105,591,929.05</b>	101,591,648.77
Financing receivables	<b>10,985,674.00</b>	13,415,674.00
Prepayments	<b>8,588,634.68</b>	4,764,922.90
Other receivables	<b>400,769,238.16</b>	376,035,744.51
Inventories	<b>36,279,948.56</b>	18,450,298.94
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets		
<b>Total current assets</b>	<b><u>810,703,731.26</u></b>	<b><u>782,300,695.90</u></b>

**Balance Sheet** (Continued)  
As at 30<sup>th</sup> June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Assets	Closing balance	Opening balance
<b>Non-current assets:</b>		
Available-for-sale financial assets		
Held-to-maturity investments		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	1,747,393,324.37	1,728,663,326.69
Other equity instruments investments	4,608,894.92	4,074,939.80
Other non-current financial assets		
Investment properties	364,282,611.96	373,471,501.63
Fixed assets	69,804,808.27	70,982,173.65
Construction in progress	764,150.93	3,206,506.25
Biological assets for production		
Fuel assets		
Right-of-use assets		
Intangible assets	14,279,868.68	11,110,934.53
Development expenses		
Goodwill		
Long-term expenses to be amortised	2,872,873.53	3,293,294.05
Deferred income tax assets		
Other non-current assets		
<b>Total non-current assets</b>	<b><u>2,204,006,532.66</u></b>	<b><u>2,194,802,676.60</u></b>
<b>Total assets</b>	<b><u><u>3,014,710,263.92</u></u></b>	<b><u><u>2,977,103,372.50</u></u></b>

**Balance Sheet** (Continued)  
As at 30<sup>th</sup> June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

<b>Liabilities and shareholders' equity</b>	<b>Closing balance</b>	Opening balance
<b>Current liabilities:</b>		
Short-term borrowings		
Financial liabilities measured at fair value through profit or loss		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payables	<b>14,131,051.42</b>	6,120,870.63
Accounts payable	<b>52,003,176.12</b>	43,131,574.28
Advance receipts from customers		160,842.28
Contract liabilities	<b>4,766,682.78</b>	5,851,615.78
Staff salaries payable	<b>1,614,624.68</b>	3,012,899.46
Taxes payable	<b>6,909,774.02</b>	9,127,756.95
Other payables	<b>143,087,184.60</b>	118,662,218.71
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	<b>583,348.01</b>	760,710.05
<b>Total current liabilities</b>	<b>223,095,841.63</b>	186,828,488.14

**Balance Sheet** *(Continued)*  
*As at 30<sup>th</sup> June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

<b>Liabilities and shareholders' equity</b>	<b>Closing balance</b>	Opening balance
<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>1,757,669.13</b>	2,149,207.40
Estimated liabilities		
Deferred income		
Deferred income tax liabilities	<b>260,765.41</b>	143,519.68
Other non-current liabilities		
	<hr/>	<hr/>
<b>Total non-current liabilities</b>	<b><u>2,018,434.54</u></b>	<u>2,292,727.08</u>
<b>Total liabilities</b>	<b><u><u>225,114,276.17</u></u></b>	<b><u><u>189,121,215.22</u></u></b>

**Balance Sheet** (Continued)  
As at 30<sup>th</sup> June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

<b>Liabilities and shareholders' equity</b>	<b>Closing balance</b>	Opening balance
<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 shares		
Other comprehensive income	<b>719,171.18</b>	318,704.84
Special reserve		
Surplus reserve	<b>267,682,027.88</b>	267,682,027.88
Undistributed profits	<b>172,485,425.41</b>	171,272,061.28
<b>Total shareholders' equity</b>	<b><u>2,789,595,987.75</u></b>	<u>2,787,982,157.28</u>
<b>Total liabilities and shareholders' equity</b>	<b><u>3,014,710,263.92</u></b>	<b><u>2,977,103,372.50</u></b>

*Head of the Accounting*

*Legal representative:*

**Xia Dechuan**

*Chief Accountant:*

**Hu Dali**

*Department:*

**Liu Xianfang**

## Income Statement

January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the current period	Amount for corresponding period of last year
<b>1. Total operating income</b>	<b>56,344,343.50</b>	40,444,561.03
Less: Operating costs	<b>30,678,847.24</b>	19,153,274.41
Business taxes and surcharge	<b>2,912,004.66</b>	4,384,606.92
Selling expenses	<b>2,695,269.56</b>	1,557,866.74
Administrative expenses	<b>48,261,335.11</b>	52,583,629.17
R&D costs	<b>11,367,927.71</b>	8,335,095.66
Financial expenses	<b>-3,926,151.22</b>	-4,934,265.71
Including: Interest expense		
Interest income	<b>1,915,403.92</b>	324,305.23
Add: Other gains	<b>706,187.16</b>	165,830.09
Investment income (losses are represented by “-”)	<b>60,107,759.18</b>	25,760,703.16
Including: Investment income of associates and joint ventures	<b>18,729,997.68</b>	24,300,404.41
Income on hedging the net exposure (losses are represented by “-”)		
Income from change in fair value (losses are represented by “-”)	<b>-63,100.08</b>	-11,835.62
Credit impairment loss	<b>-166,784.70</b>	
Assets impairment loss		
Gains on disposal of assets (losses are represented by “-”)		9,680.10
<b>2. Operating profit (losses are represented by “-”)</b>	<b>24,939,172.00</b>	-14,711,268.43
Add: Non-operating income	<b>19,277.73</b>	6,109,278.81
Less: Non-operating expenses	<b>2,156.54</b>	350,000.00
<b>3. Total profit (total losses are represented by “-”)</b>	<b>24,956,293.19</b>	-8,951,989.62
Less: Income tax expense	<b>-16,243.05</b>	

**Income Statement** *(Continued)*  
*January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

Items	Amount for the current period	Amount for corresponding period of last year
<b>4. Net profit (net losses are represented by “-”)</b>	<b>24,972,536.24</b>	-8,951,989.62
(1) Net profit for going concern (net losses are represented by “-”)	<b>24,972,536.24</b>	-8,951,989.62
(2) Net profit for discontinued operation (net losses are represented by “-”)		
<b>5. Net other comprehensive income after tax</b>	<b>400,466.34</b>	12,847.52
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss	<b>400,466.34</b>	12,847.52
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>400,466.34</b>	12,847.52
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		
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		

**Income Statement** *(Continued)*  
*January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

<b>Items</b>	<b>Amount for the current period</b>	Amount for corresponding period of last year
6. Provision for credit impairment of other debt 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>6. Total comprehensive income</b>	<b>25,373,002.58</b>	-8,939,142.10
<b>7. Earnings per share:</b>		
(1) Basic earnings per share		
(2) Diluted earnings per share		

*Legal representative:*

**Xia Dechuan**

*Chief Accountant:*

**Hu Dali**

*Head of the Accounting*

*Department:*

**Liu Xianfang**

# Statement of Changes in Shareholders' Equity

## January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the current period							Total shareholders' equity				
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income		Special reserve	Surplus reserve	General risk reserve	Undistributed profit
<b>I. Balance at the end of prior year</b>	913,838,529.00				1,434,870,834.28		318,704.84		267,682,027.88		171,272,061.28	2,787,982,157.28
Add: Changes in accounting policies												
Error correction of previous period												
Others												
<b>II. Balance at the beginning of current year</b>	913,838,529.00				1,434,870,834.28		318,704.84		267,682,027.88		171,272,061.28	2,787,982,157.28
<b>III. Changes of current year (decreases are represented by "-")</b>												
(I) Total comprehensive income												
(II) Share capital contributed or withdrawn by shareholders												
1. Share capital contributed by shareholders												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment included in shareholders' equity												
4. Others												
(III) Profit distribution												
1. Appropriation of surplus reserve												
2. Appropriation of general risk reserve												
3. Appropriation of profit to shareholders												
4. Others												
(IV) Internal carry-over within shareholders' equity												
1. Transfer of capital reserve to share capital												
2. Transfer of surplus reserve to share capital												
3. Surplus reserve to cover losses												
4. Change in defined benefit plan carried over to retained earnings												
5. Other comprehensive income carried over to retained earnings												
6. Others												
(V) Appropriation and application of special reserve												
1. Appropriation of special reserve in the period												
2. Application of special reserve in the period												
(VI) Others												
<b>IV. Balance at the end of the year</b>	913,838,529.00				1,434,870,834.28		719,171.18		267,682,027.88		172,485,425.41	2,789,595,987.75

# Statement of Changes in Shareholders' Equity (Continued)

## January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Other equity instrument						Amount for corresponding period of last year					
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Total shareholders' equity
<b>I. Balance at the end of prior year</b>	913,838,529.00				1,434,870,834.28		289,154.46		258,647,274.54		105,949,041.61	2,713,594,833.89
Add: Changes in accounting policies												
Error correction of previous period												
Others												
<b>II. Balance at the beginning of current year</b>	913,838,529.00				1,434,870,834.28		289,154.46		258,647,274.54		105,949,041.61	2,713,594,833.89
<b>III. Changes of current year (decreases are represented by "-")</b>												
(I) Total comprehensive income												
(II) Share capital contributed or withdrawn by shareholders												
1. Share capital contributed by shareholders												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment included in shareholders' equity												
4. Others												
(III) Profit distribution												
1. Appropriation of surplus reserve												
2. Appropriation of general risk reserve												
3. Appropriation of profit to shareholders												
4. Others												
(IV) Internal carry-over within shareholders' equity												
1. Transfer of capital reserve to share capital												
2. Transfer of surplus reserve to share capital												
3. Surplus reserve to cover losses												
4. Change in defined benefit plan carried over to retained earnings												
5. Other comprehensive income carried over to retained earnings												
6. Others												
(V) Appropriation and application of special reserve												
1. Appropriation of special reserve in the period												
2. Application of special reserve in the period												
(VI) Others												
<b>IV. Balance at the end of the year</b>	913,838,529.00				1,434,870,834.28		302,001.98		258,647,274.54		81,004,877.73	2,688,663,517.53

Legal representative:  
Xia Dechuan

Chief Accountant:  
Hu Dali

Head of the Accounting Department:  
Liu Xianfang

## Cash Flow Statement

January – June 2021

Prepared by: Nanjing Panda Electronics Company Limited

Unit: RMB

Items	Amount for the current period	Amount for corresponding period of last year
<b>1. Cash flows from operating activities:</b>		
Cash received from the sale of goods and rendering of services	<b>34,825,380.75</b>	42,174,758.90
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 amount of 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>67,674,690.11</b>	148,931,577.34
<b>Sub-total of cash inflows from operating activities</b>	<b>102,500,070.86</b>	191,106,336.24

**Cash Flow Statement (Continued)***January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

<b>Items</b>	<b>Amount for the current period</b>	Amount for corresponding period of last year
Cash paid on purchase of goods and services received	<b>24,730,561.60</b>	20,147,602.22
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 interest, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	<b>53,604,168.10</b>	44,180,444.25
Cash paid for all types of taxes	<b>5,695,518.07</b>	6,365,304.04
Cash paid relating to other operating activities	<b>51,748,793.22</b>	203,141,392.76
<b>Sub-total of cash outflows from operating activities</b>	<b>135,779,040.99</b>	273,834,743.27
<b>Net cash flows generated from operating activities</b>	<b>-33,278,970.13</b>	-82,728,407.03
<b>2. Cash flows from investing activities:</b>		
Cash received from disposal of investments		
Cash received from return on investments	<b>1,634,208.34</b>	1,460,298.75
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	<b>29,700.00</b>	34,480.25
Net cash received from disposal of subsidiaries and other operating entities		
Cash received relating to other investing activities	<b>210,000,000.00</b>	390,000,000.00
<b>Sub-total of cash inflows from investing activities</b>	<b>211,663,908.34</b>	391,494,779.00



**Cash Flow Statement (Continued)***January – June 2021*

Prepared by: Nanjing Panda Electronics Company Limited

*Unit: RMB*

Items	<b>Amount for the current period</b>	Amount for corresponding period of last year
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interests expenses		
Including: dividend and profit paid to minority shareholders by subsidiaries		
Cash paid on other financing activities		
<b>Sub-total of cash outflows from financing activities</b>		
<b>Net cash flows from financing activities</b>	<b>11,836,055.52</b>	
<b>4. Effect of fluctuations in exchange rates on cash and cash equivalents</b>	<b>-55.01</b>	91.69
<b>5. Net increase in cash and cash equivalents</b>	<b>-31,014,890.83</b>	36,563,052.46
Add: balance of cash and cash equivalents at the beginning of the period	<b>178,878,717.22</b>	56,919,306.88
<b>6. Balance of cash and cash equivalents at the end of the period</b>	<b>147,863,826.39</b>	93,482,359.34

*Legal representative:*  
**Xia Dechuan**

*Chief Accountant:*  
**Hu Dali**

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

The following is only the financial part:  
Unless otherwise stated, all amounts are denominated in RMB  
Current period: January to June 2021  
Preceding period: January to June 2020  
Balance at the end of last year/Opening balance: 31 December 2020  
Closing balance: 30 June 2021

## **NOTES:**

### **(I) Preparation of basis**

Based on going concern and actual transactions and events, the Company prepared financial statements in accordance with the basic and specific standards of the Accounting Standards for Business Enterprises, the Application Guidance for Accounting Standard for Business Enterprises, interpretations of the Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as “CAS”), and the disclosure requirements in the Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting issued by the China Securities Regulatory Commission.

### **(II) Going concern**

For the 12 months since the end of the Reporting Period, the Company has ability to continue as a going concern and there is no significant risk affecting its ability to continue as a going concern.

### **(III) Segment information**

The Company established 4 reportable segments on the basis of the internal organisational structure, management requirement and internal report system, namely, modern digital cities, service-oriented electronic manufacturing, industrial internet and intelligent manufacturing, modern services and others. Each segment provides different products and service, or engages in business operations from different areas. Due to the different demands of each segment for different technology and marketing strategy, the Company’s management monitor the different segments in respect of their business activities separately, and evaluate the operating results on a regular basis in order to allocate resources and evaluate its performance.

The transfer price between different segments is based on the actual transaction price, and the costs which shall be jointly assumed by each segment is allocated in proportion. Assets are allocated in accordance with business operations of various segments and the location where such assets are situated. Segment liabilities includes the liabilities incurred for business activities of a segment which shall be assumed on its own. If the costs related to a joint liability involving certain operating segments, the liability and relevant costs would be allocated to such segments in proportion.

Non-current assets are classified according to the areas where the assets belong. All the non-current assets of the Company are located in the China Mainland.

Item	Modern digital cities	Service-oriented electronic manufacturing	Industrial internet and intelligent manufacturing	Modern services and others	Undistributed	Elimination among segments	Total
Trade income from third party	1,062,644,270.21	957,404,595.72	94,233,559.83	55,173,875.96			2,169,456,301.72
Trade income between segments	44,596,112.44	23,977,634.09	10,174,675.96	29,860,213.26		-108,608,635.75	
Investment income from associated enterprises and joint ventures	193,492.06				18,729,997.68		18,923,489.74
Assets impairment loss	-77,050.93	4,641,965.63	-347,164.05				4,217,750.65
Credit impairment loss	-78,810.51	-26,573.17	-3,619,267.12		72,883.96		-3,651,766.84
Depreciation and amortization expense	10,524,952.28	15,012,509.92	9,912,206.33	10,773,179.00	9,889,023.24		56,111,870.77
Total profit (total loss)	56,009,376.22	44,344,652.92	-35,197,412.59	-6,007,193.51	34,709,616.20	-40,435,726.64	53,423,312.60
Income tax expense	6,232,141.22	7,829,907.44		609,086.64	-16,243.05	230,391.88	14,885,284.13
Net profit (net loss)	49,777,235.00	36,514,745.48	-35,197,412.59	-6,616,280.15	34,725,859.25	-40,666,118.52	38,538,028.47
Total assets	2,492,416,410.45	1,736,025,614.84	583,099,251.71	811,274,597.37	2,996,556,602.05	-2,382,100,864.21	6,237,271,612.21
Total liabilities	1,411,284,243.40	1,099,889,777.63	356,329,882.32	147,145,251.11	157,372,165.52	-696,956,254.40	2,475,065,065.58
Other non-cash expense beside depreciation and amortization expense							
Long term equity investment in associated enterprises and joint ventures	2,498,594.57				311,607,778.01		314,106,372.58
Increase in other non-current assets besides long-term equity investment	-41,547,077.85	-8,655,743.26	-10,343,735.24	-10,023,349.01	-9,558,467.79	923,568.00	-79,204,805.15

## (IV) Accounts receivable

### 1. Accounts receivable shown by aging

Aging	Closing balance	Balance at the end of last year
Within 1 year (inclusive)	<b>1,091,599,662.61</b>	986,730,944.25
Including: 0–6 months	<b>920,962,356.53</b>	852,957,752.19
7–12 months	<b>170,637,306.08</b>	133,773,192.06
1–2 years	<b>155,202,461.59</b>	129,760,955.02
2–3 years	<b>52,683,112.07</b>	60,317,987.51
3–4 years	<b>27,258,201.93</b>	13,312,642.33
4–5 years	<b>10,634,158.99</b>	8,466,952.45
Over 5 years	<b>21,350,989.80</b>	20,343,866.35
Subtotal	<b>1,358,728,586.99</b>	1,218,933,347.91
Less: bad debt provision	<b>53,253,164.23</b>	57,062,433.32
 Total	 <b><u>1,305,475,422.76</u></b>	 <b><u>1,161,870,914.59</u></b>

### 2. Accounts receivable disclosed by classification of bad debt provisions

Type	Closing balance					Balance at the end of last year				
	Carrying Amount		Bad debt Provision		Carrying Value	Carrying Amount		Bad debt Provision		Carrying Value
	Value	Percentage (%)	Value	Provision percentage (%)		Value	Percentage (%)	Value	Provision percentage (%)	
Accounts receivable with										
individual accrual	32,924,239.73	2.42	27,405,578.21	83.24	5,518,661.52	62,246,501.20	5.11	31,024,845.33	49.84	31,221,655.87
Accounts receivable accruing										
bad debt provision in credit										
risk characteristic portfolio	1,325,804,347.26	97.58	25,847,586.02	1.95	1,299,956,761.24	1,156,686,846.71	94.89	26,037,587.99	2.25	1,130,649,258.72
Among which: Aging										
portfolio	723,908,424.42	53.28	25,684,712.40	3.55	698,223,712.02	649,077,446.89	53.25	25,874,714.37	3.99	623,202,732.52
Other combinations	601,895,922.84	44.30	162,873.62	0.03	601,733,049.22	507,609,399.82	41.64	162,873.62	0.03	507,446,526.20
 Total	 <b><u>1,358,728,586.99</u></b>	 <b><u>100.00</u></b>	 <b><u>53,253,164.23</u></b>	 <b><u>1.305,475,422.76</u></b>	 <b><u>1,218,933,347.91</u></b>	 <b><u>1,218,933,347.91</u></b>	 <b><u>100.00</u></b>	 <b><u>57,062,433.32</u></b>	 <b><u>1,161,870,914.59</u></b>	

Individual provision for bad debt:

Name	Carrying amount	Closing balance		Reasons for provision
		Bad debt provision	Provision percentage (%)	
Nanjing Yougete Communication Equipment Co., Ltd.	14,275,594.00	14,275,594.00	100.00	Expected partly not to be recovered
Jiangsu Zhongshi Environment Technology Co., Ltd.	6,500,000.00	6,500,000.00	100.00	Expected not to be recovered
Jiangsu Cable Network Development Co. Ltd. Sihong Branch	3,984,000.00	696,600.00	17.48	Expected partly not to be recovered
Information Department of Guangzhou Military Command	2,023,000.00	2,023,000.00	100.00	Expected not to be recovered
China Cable Television Network Co., Ltd. Hainan Branch	2,003,886.00	326,410.00	16.29	Expected partly not to be recovered
Zhejiang Bajun Plastic Industry Co., Ltd.	1,600,000.00	1,600,000.00	100.00	Expected not to be recovered
Beijing Zhonghua Original Technology Co., Ltd.	995,000.00	995,000.00	100.00	Expected not to be recovered
Bwton Technology Co., Ltd.	900,000.00	346,214.48	38.47	Expected partly not to be recovered
Lianyungang Yintai Real Estate Development Co., Ltd.	424,000.00	424,000.00	100.00	Expected not to be recovered
Subtotal of other petty amount	218,759.73	218,759.73	100.00	Expected not to be recovered
<b>Total</b>	<b>32,924,239.73</b>	<b>27,405,578.21</b>		

Bad debt provision by portfolio:

*Provision by portfolio: Aging portfolio*

Name	Accounts receivable	Closing balance Bad debt Provision	Provision percentage (%)
Within 1 year (inclusive)	587,715,590.79	5,750,740.93	0.98
Including: 0–6 months	472,700,772.23		
7–12 months	115,014,818.56	5,750,740.93	5.00
1–2 years	100,719,649.01	10,071,964.90	10.00
2–3 years	22,505,980.53	3,375,897.08	15.00
3–4 years	7,895,450.61	2,368,635.18	30.00
4–5 years	1,908,558.35	954,279.18	50.00
Over 5 years	<u>3,163,195.13</u>	<u>3,163,195.13</u>	100.00
Total	<u><u>723,908,424.42</u></u>	<u><u>25,684,712.40</u></u>	

*Provision by portfolio: Other combinations*

Name	Accounts receivable	Closing balance Bad debt Provision	Provision percentage (%)
Related parties portfolio	<u>601,895,922.84</u>	<u>162,873.62</u>	0.03
Total	<u><u>601,895,922.84</u></u>	<u><u>162,873.62</u></u>	

### 3. *Accrual, reversal and recovery of bad debts in the period*

Type	Opening balance	Change during the period			Closing balance
		Accrual	Reversal or recovery	Transfer or written off	
Single item of bad debt provision	31,024,845.33		3,619,267.12		27,405,578.21
Receivables with provision for bad debts based on credit risk characteristics	26,037,587.99	2,869,618.07	3,059,620.04		25,847,586.02
Among them: Aging portfolio	25,874,714.37	2,869,618.07	3,059,620.04		25,684,712.40
Related parties portfolio	162,873.62				162,873.62
<b>Total</b>	<b>57,062,433.32</b>	<b>2,869,618.07</b>	<b>6,678,887.16</b>		<b>53,253,164.23</b>

The significant amount of provision reversal or recovery of bad debts during the period:

Name of debtors	Amount reversed or recovered	Reason for bad debt provision and the rationality	Reason for reversal or recovery	Approach
Daifuku (SUZHOU) Cleanroom Automation Co., Ltd.	3,619,267.12	Individual portfolio	Debt collection	Cash and Bank
Financial Audit and Payment Center of Jianhu County	362,673.30	Aging portfolio	Debt collection	Cash and Bank
Kunshan Guoxian Optoelectronic Co., Ltd.	347,164.05	Aging portfolio	Debt collection	Cash and Bank
Nanjing Runtai Commercial Management Group Co., Ltd.	300,000.00	Aging portfolio	Debt collection	Cash and Bank
Rosenberger Technology Co., Ltd.	298,350.00	Aging portfolio	Debt collection	Cash and Bank
Hebi Tianhai Electronic Information System Co., Ltd.	237,262.50	Aging portfolio	Debt collection	Cash and Bank
Jiangsu Aerospace Daway Technology Co., Ltd.	236,152.46	Aging portfolio	Debt collection	Cash and Bank
Zhangzhou Wanda Plaza Co., Ltd.	221,250.00	Aging portfolio	Debt collection	Cash and Bank

Name of debtors	Amount reversed or recovered	Reason for bad debt provision and the rationality	Reason for reversal or recovery	Approach
Nanjing Zijin (Jiangning) Technology Entrepreneurship Special Community Development Co., Ltd.	195,096.79	Aging portfolio	Debt collection	Cash and Bank
Nanjing City Vocational College	157,698.21	Aging portfolio	Debt collection	Cash and Bank
Sihong Treasury Payment Center	135,000.00	Aging portfolio	Debt collection	Cash and Bank
Zhenjiang Daqo Solar Energy Co., Ltd.	131,987.59	Aging portfolio	Debt collection	Cash and Bank
Tongliao Wanda Plaza Co., Ltd.	108,299.00	Aging portfolio	Debt collection	Cash and Bank
Subtotal of other petty amount	<u>328,686.14</u>	Aging portfolio	Debt collection	Cash and Bank
Total	<u><u>6,678,887.16</u></u>			

**4. There were no accounts receivable effectively written off in the period**

**5. Status of top five debtors in the closing balance of accounts receivable**

Name	Accounts receivable	Closing balance Percentage of total receivables (%)	Provision for bad debt
Nanjing BOE Optoelectronics Technology Co., Ltd.	281,728,158.83	20.73	
Nanjing Panda Handa Technology Company Limited	138,992,275.02	10.23	
Chengdu CEC-Panda Display Technology Co., Ltd.	104,462,024.92	7.69	
Chengdu Rail Transit Group Co, Ltd.	101,813,937.34	7.49	1,812,399.41
Xuzhou Metro Line II Rail Transit Investment and Development Co., Ltd.	<u>41,448,292.10</u>	<u>3.05</u>	
Total	<u><u>668,444,688.21</u></u>	<u><u>49.19</u></u>	<u><u>1,812,399.41</u></u>

6. *At the end of the period, the Company had no derecognized accounts receivable due to the transfer of financial assets*
7. *At the end of the period, the Company had no returned receivables or continued to be involved in the amount of assets and liabilities*
8. *Overdue receivables at the end of the period*

Items	Closing balance
Account not overdue or impaired	920,962,356.53
Overdue but not impaired amount – within 3 months	150,204,795.03
Overdue but not impaired amount – over 3 months	<u>234,390,437.61</u>
Total	<u><u>1,305,557,589.17</u></u>

**(V) Other equity instruments investments**

**1. Other equity instruments investments**

Project	Closing balance	Opening balance
Jiangsu Research and Design Institute of Urban Rail Transit Co., Ltd	4,608,894.92	4,074,939.80
Total	<u><u>4,608,894.92</u></u>	<u><u>4,074,939.80</u></u>

**2. Status of investment in significant transactional equity instruments at the end of the period**

Project	Dividend income recognized in the current period	Cumulative gain	Aggregate losses	Amounts transferred to retained income from other comprehensive income	Reasons designated to be measured at fair value through other comprehensive income	Reasons for amounts transferred to retained income from other comprehensive income
Jiangsu Research and Design Institute Of Urban Rail Transit Co., Ltd		958,894.92			Non-transactional equity instrument investment	

**(VI) Contract assets**

**1. Breakdown of contract assets**

Item	Closing balance			Balance at the end of last year		
	Carrying Amount	Impairment provision	Carrying Value	Carrying Amount	Impairment provision	Carrying Value
Modern digital cities	29,442,213.67		29,442,213.67	74,264,579.68		74,264,579.68
Industrial Internet and intelligent manufacturing				2,314,427.00	347,164.05	1,967,262.95
Total	<u>29,442,213.67</u>	<u></u>	<u>29,442,213.67</u>	<u>76,579,006.68</u>	<u>347,164.05</u>	<u>76,231,842.63</u>

**2. Amount and reasons for significant changes in carrying value during the Reporting Period**

Item	Changes	Reason of changes
Modern digital cities	-44,822,366.01	Transfer of contract assets recognized at the beginning of the year into account receivables
Industrial Internet and intelligent manufacturing	-2,314,427.00	Transfer of contract assets recognized at the beginning of the year into account receivables
Total	<u>-47,136,793.01</u>	

**3. Contract assets disclosed by provision classification of impairment losses**

Type	Carrying Amount		Closing balance			Carrying Amount		Balance at the end of last year		
	Value	Percentage (%)	Value	Provision for impairment		Value	Percentage (%)	Value	Provision for impairment	
				Provision percentage (%)	Carrying Value				Provision percentage (%)	Carrying Value
Provision for impairment by individual accrual						2,314,427.00	3.02	347,164.05	15.00	1,967,262.95
Provision for impairment by portfolio	29,442,213.67	100.00			29,442,213.67	74,264,579.68	96.98			74,264,579.68
Among them: Aging portfolio	29,442,213.67	100.00			29,442,213.67	74,264,579.68	96.98			74,264,579.68
Other combinations										
Total	<u>29,442,213.67</u>	<u>100.00</u>			<u>29,442,213.67</u>	<u>76,579,006.68</u>	<u>100.00</u>	<u>347,164.05</u>		<u>76,231,842.63</u>

Provision for impairment by portfolio:

**Provision by portfolio:**

Name	Contract assets	Closing balance Provision for impairment	Provision percentage (%)
Aging portfolio	<u>29,442,213.67</u>		
<b>Total</b>	<u>29,442,213.67</u>		

#### 4. *Provision for impairment of contract assets in the current period*

<b>Item</b>	Closing balance at the end of last year	Provision in current period	Reversal in current period	Written-off in current period	Closing balance	Reasons
Industrial Internet and intelligent manufacturing	347,164.05		347,164.05			Transfer to accounts receivable
<b>Total</b>	347,164.05		347,164.05			Transfer to accounts receivable

#### (VII) Accounts payable

##### 1. *List of accounts payable*

Classified by aging based on their recording dates:

<b>Item</b>	<b>Closing balance</b>	Balance at the end of last year
Within 1 year (inclusive)	<b>1,478,492,120.46</b>	1,416,898,524.95
1–2 years (including 2 years)	<b>169,857,955.08</b>	91,482,176.96
2–3 years (including 3 years)	<b>41,004,544.08</b>	46,089,316.15
Over 3 years	<b>59,163,832.40</b>	43,701,197.18
<b>Total</b>	<b><u>1,748,518,452.02</u></b>	<b><u>1,598,171,215.24</u></b>

Classified by business nature:

<b>Type</b>	<b>Closing balance</b>	Balance at the end of last year
Payment for goods	<b>1,241,062,411.57</b>	1,145,628,682.72
Project funds	<b>465,655,730.82</b>	404,152,080.28
Processing and maintenance funds	<b>15,050,666.34</b>	29,187,350.64
Logistics warehousing funds	<b>3,644,988.67</b>	4,586,753.71
Others	<b>23,104,654.62</b>	14,616,347.89
<b>Total</b>	<b><u>1,748,518,452.02</u></b>	<b><u>1,598,171,215.24</u></b>

## 2. Significant account payables aged over 1 year

Item	Closing balance	Reasons for unsettled or carried forward
Beijing Andashang Technology Co., Ltd.	14,147,127.00	Not settled
Sankyo Co., Ltd.	11,160,325.20	Not settled
Nanjing Guochuang Mechatronics Co., Ltd.	10,169,075.50	Not settled
Suzhou RS Technology Co., Ltd.	8,232,408.86	Not settled
Nanjing Yingnuowei Information Technology Co., Ltd.	7,595,400.00	Not settled
Suzhou Golden Brain Intelligent System Engineering Co. Ltd.	6,606,065.99	Not settled
Jiangsu XCMG Information Technology Co., Ltd.	4,724,694.82	Not settled
GRG Banking Intelligent Technology Co., Ltd.	4,478,390.40	Not settled
Nanjing Komo Electronics Co., Ltd.	4,182,380.00	Not settled
Mitsubishi Electric Automation (China) Limited	3,801,769.00	Not settled
NIVEK Co., Ltd.	3,592,859.15	Not settled
Nanjing Longwei Construction Service Co., Ltd.	3,200,000.00	Not settled
Chengdu Guoheng Technology Engineering Co., Ltd.	3,187,241.38	Not settled
Jiangsu Yunsai Information Engineering Co., Ltd.	3,029,970.00	Not settled
Nanjing Hua Hao Buildings Technology Co., Ltd.	3,016,700.42	Not settled
Suzhou ZeTong Automation Equipment Co., LTD	3,008,849.56	Not settled
Nanjing Nuowake Machinery Co., Ltd.	2,920,353.98	Not settled
Iflytek Intelligent SYSTEM Co., Ltd.	2,751,204.32	
Kunshan Judong Photoelectric Equipment Co., Ltd.	2,658,180.00	Not settled
Nanjing Panda Handa Technology Company Limited	2,573,186.60	Not settled
Jiangsu Hengxin Technology Co., Ltd.	2,511,896.07	Not settled
Total	<u>107,548,078.25</u>	

## (VIII) Contract liabilities

### 1. Breakdown of contract liabilities

Item	Closing balance	Balance at the end of last year
Modern digital cities	211,017,499.03	152,376,164.79
Industrial Internet and intelligent manufacturing	8,651,880.26	11,650,239.87
Service-oriented electronic manufacturing	2,847,311.96	19,494,385.79
Total	<u>222,516,691.25</u>	<u>183,520,790.45</u>

### 2. Significant changes in book value during the Reporting Period and reasons

Project	Amount of change	Reasons for change
Modern digital cities	58,641,334.24	Receipt of advance payment for contractual amount
Industrial Internet and intelligent manufacturing	-2,998,359.61	Contract liabilities at the beginning of the period was recognized as revenue in current period
Service-oriented electronic manufacturing	-16,647,073.83	Contract liabilities at the beginning of the period was recognized as revenue in current period
Total	<u>38,995,900.80</u>	

## (IX) Operating income and operating cost

### 1. Operating income and operating cost

Items	Current period		Last period	
	Income	Cost	Income	Cost
Principal business	2,154,419,472.42	1,894,506,059.09	1,696,495,362.41	1,469,416,892.70
Other business	<u>15,036,829.30</u>	<u>7,683,284.84</u>	<u>17,659,651.95</u>	<u>4,112,184.23</u>
Total	<u><u>2,169,456,301.72</u></u>	<u><u>1,902,189,343.93</u></u>	<u><u>1,714,155,014.36</u></u>	<u><u>1,473,529,076.93</u></u>

Details of operating income:

Items	Amount for current period	Amount for last period
Modern digital cities	1,062,644,270.21	722,273,157.21
Service-oriented electronic manufacturing	957,404,595.72	849,523,668.65
Industrial Internet and intelligent manufacturing	94,233,559.83	87,810,213.74
Modern services and others	<u>55,173,875.96</u>	<u>54,547,974.76</u>
Total	<u><u>2,169,456,301.72</u></u>	<u><u>1,714,155,014.36</u></u>

## 2. Breakdown of income from contracts

The breakdown of income for the period is as follows:

Category of contract	Modern digital cities	Service-oriented electronic manufacturing	Industrial Internet and intelligent manufacturing	Modern services and others	Elimination among segments	Total
<b>Categorized by operating region :</b>						
Nanjing	679,961,811.97	981,382,229.81	104,408,235.79	85,034,089.22	-108,608,635.75	1,742,177,731.04
Shenzhen	<u>427,278,570.68</u>					<u>427,278,570.68</u>
Total	<u><u>1,107,240,382.65</u></u>	<u><u>981,382,229.81</u></u>	<u><u>104,408,235.79</u></u>	<u><u>85,034,089.22</u></u>	<u><u>-108,608,635.75</u></u>	<u><u>2,169,456,301.72</u></u>
<b>Categorized by transfer time of commodities:</b>						
Recognized by a certain point of time	577,655,992.22	925,233,520.30	104,408,235.79	85,034,089.22	-104,407,273.97	1,587,924,563.56
Recognized during a certain period	<u>529,584,390.43</u>	<u>56,148,709.51</u>			<u>-4,201,361.78</u>	<u>581,531,738.16</u>
Total	<u><u>1,107,240,382.65</u></u>	<u><u>981,382,229.81</u></u>	<u><u>104,408,235.79</u></u>	<u><u>85,034,089.22</u></u>	<u><u>-108,608,635.75</u></u>	<u><u>2,169,456,301.72</u></u>

## (X) Income tax expenses

### 1. List of income tax expenses

Items	Current period	Last period
Current income tax	<b>14,511,754.95</b>	15,815,124.76
Deferred income tax	<u><b>373,529.18</b></u>	<u>133,855.22</u>
Total	<u><u><b>14,885,284.13</b></u></u>	<u><u>15,948,979.98</u></u>

**2. Explanation of the relationship of income tax expenses and accounting profit**

<b>Items</b>	<b>Current period</b>
Total profit	53,423,312.60
Income tax expenses calculated at the statutory or applicable tax rate	13,355,828.15
Different tax rate of subsidiaries	-4,126,808.84
Adjustment on previous income tax	
Income not subject to tax	-4,730,872.44
Costs, expenses and losses not deductible for tax purposes	
Utilisation of the deductible losses related to deferred income tax assets unrecognized in previous periods	
Deductible temporary differences or deductible losses from deferred income tax assets unrecognized in the current period	10,387,137.25
Effect of additional deductible cost under tax law	
Income tax expenses	14,885,284.13

Companies subject to different income tax rates are disclosed as follows:

<b>Name of the enterprise</b>	<b>Income tax rate</b>
Nanjing Panda Electronic Manufacture Co., Ltd	15.00%
Nanjing Panda Communication Technology Co., Ltd	15.00%
Nanjing Huage Appliance and Plastic Industrial Co., Ltd	15.00%
Nanjing Panda Information Industry Co., Ltd	15.00%
Nanjing Panda Mechatronics Instrument Technology Co., Ltd	15.00%
Shenzhen Jinghua Information Technology Co., Ltd	15.00%
Nanjing Panda Electronic Equipment Co., Ltd	15.00%
Chengdu Panda Electronic Technology Co., Ltd.	15.00%
Shenzhen Jinghua Property Management Co., Ltd	20.00%
Parking lot of Shenzhen Jinghua Electronics Co., Ltd	20.00%
Jingwah Digital Technology Co., Ltd.	20.00%
Shenzhen Jinghua Media Technology Co., Ltd.	20.00%
Shenzhen Jingjia Property Management Co., Ltd.,	20.00%
Galant Limited	16.50%
JWD Trading (HK) Co., Ltd	16.50%

1. Nanjing Panda Electronic Manufacture Co., Ltd., a second-level subsidiary of the Company, passed the re-assessment for high-tech enterprise recognition on 2<sup>nd</sup> December 2020, and obtained the High-tech Enterprise Certificate (certificate number GR202032007426) jointly issued by Jiangsu Provincial Science and Technology Department and other government bodies. The certificate is valid for 3 years, commencing from 2<sup>nd</sup> December 2020 and ending on 2<sup>nd</sup> December 2023. During such period, Nanjing Panda Electronic Manufacture Co., Ltd. shall pay income tax at 15% of the taxable income.
2. Nanjing Panda Communications Technology Co., Ltd., a second-level subsidiary of the Company, was re-identified as high-tech enterprise on 2<sup>nd</sup> December 2020, and obtained the High-tech Enterprise Certificate (certificate number GR202032006826) jointly issued by Jiangsu Provincial Science and Technology Department and other government bodies. The certificate is valid for 3 years, commencing from 2<sup>nd</sup> December 2020 and ending on 2<sup>nd</sup> December 2023. During such period, Nanjing Panda Communications Technology Co., Ltd. shall pay income tax at 15% of the taxable income.
3. Nanjing Huage Appliance and Plastic Industrial Co., Ltd., a third-level subsidiary of the Company, was re-identified as high-tech enterprise on 2<sup>nd</sup> December 2020, and obtained the High-tech Enterprise Certificate (certificate number GR202032006058) jointly issued by Jiangsu Provincial Science and Technology Department and other government bodies. The certificate is valid for 3 years, commencing from 2<sup>nd</sup> December 2020 and ending on 2<sup>nd</sup> December 2023. During such period, Nanjing Huage Appliance and Plastic Industrial Co., Ltd. shall pay income tax at 15% of the taxable income.
4. Nanjing Panda Information Industry Co., Ltd., a second-level subsidiary of the Company, was re-identified as high-tech enterprise on 28<sup>th</sup> November 2018, and obtained the High-tech Enterprise Certificate (certificate number GR201832002286) jointly issued by Jiangsu Provincial Science and Technology Department and other government bodies. The certificate is valid for 3 years, commencing from 28<sup>th</sup> November 2018 and ending on 28<sup>th</sup> November 2021. During such period, Nanjing Panda Information Industry Co., Ltd. shall pay income tax at 15% of the taxable income.
5. Nanjing Panda Electromechanical Instrument Technology Co., Ltd., a third-level subsidiary of the Company, was re-identified as high-tech enterprise on 28<sup>th</sup> November 2018, and obtained the High-tech Enterprise Certificate (certificate number GR201832002778) jointly issued by Jiangsu Provincial Science and Technology Department and other government bodies. The certificate is valid for 3 years, commencing from 28<sup>th</sup> November 2018 and ending on 28<sup>th</sup> November 2021. During such period, Nanjing Panda Electromechanical Instrument Technology Co., Ltd. shall pay income tax at 15% of the taxable income.

6. Shenzhen Jinghua Information Technology Co., Ltd., a third-level subsidiary of the Company, was re-identified as high-tech enterprise on 9<sup>th</sup> November 2018, and obtained the High-tech Enterprise Certificate (certificate number GR201844204258) jointly issued by Shenzhen Municipal Science and Technology Innovation Committee and other government bodies. The certificate is valid for 3 years, commencing from 9<sup>th</sup> November 2018 and ending on 9<sup>th</sup> November 2021. During such period, Shenzhen Jinghua Information Technology Co., Ltd. shall pay income tax at 15% of the taxable income.
7. Nanjing Panda Electronics Equipment Co., Ltd., a second-level subsidiary of the Company, was re-identified as high-tech enterprise on 28<sup>th</sup> November 2018, and obtained the High-tech Enterprise Certificate (certificate number GR201832001770) jointly issued by Jiangsu Provincial Science and Technology Department and other government bodies. The certificate is valid for 3 years, commencing from 28<sup>th</sup> November 2018 and ending on 28<sup>th</sup> November 2021. During such period, Nanjing Panda Electronics Equipment Co., Ltd. shall pay income tax at 15% of the taxable income.
8. Chengdu Panda Electronics Technology Co., Ltd., a second-level subsidiary of the Company, satisfied the requirements for those enterprises qualified for preferential tax rate as stated in the Catalogue of Encouraged Industries in the Western Region implemented by the State Administration of Taxation, which stipulates that an enterprise, with its location in the western region, shall engage in a principal activity included in the State's encouraged industrial projects and record a revenue from such principal activity of more than 60% of its total revenue for the year of assessment. As such, Chengdu Panda Electronics Technology Co., Ltd. is entitled to the enterprise tax rate of 15% in accordance with the Announcement of the Ministry of Finance (MOF), the State Administration of Taxation (SAT) and the National Development and Reform Commission (NDRC) on Further Implementation of the Enterprise Income Tax Policy for Development of the Western Region (Announcement of MOF, SAT and NDRC [2020] No. 23).

9. Shenzhen Jingjia Property Management Co., Ltd., Shenzhen Jinghua Property Management Co., Ltd. and Parking lot of Shenzhen Jinghua Electronics Co., Ltd., Jingwah Digital Technology Co., Ltd., Shenzhen Jinghua Media Technology Co., Ltd. all being third-level subsidiaries of the Company, were recognized as low-profit small enterprises in the current period. According to the Enterprise Income Tax Law of the People’s Republic of China and its implementing regulations, the Circular of the Ministry of Finance and the State Administration of Taxation on the Implementation of the Inclusive Tax Relief Policy for Small and Micro Enterprises (Cai Shui [2019] No. 13), the Announcement on Implementation of Preferential Policy on Income Tax for Small and Micro Enterprises and Self-Employed Individuals by the Ministry of Finance and the State Administration of Taxation (Announcement of MOF and SAT [2021] No. 12), from 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2022, for the low-profit small enterprises’ annual taxable income which not exceeding RMB1 million, in addition to enterprise income tax calculated at the rate of 20% based on the amount of taxable income being reduced to 25% thereof, an exemption of half of the resulted tax payables shall be granted; and for the part of the annual taxable income exceeding RMB1 million but not more than RMB3 million, the enterprise income tax shall be calculated at the rate of 20% based on the amount of taxable income being reduced to 50% thereof.
10. The profits tax rate applicable for Galant Limited and JWD Trading (HK) Co., Ltd, both being subsidiaries of the Company registered in Hong Kong, is 16.5%.
11. According to Article 30 of the “Enterprise Income Tax Law” and Article 95 of the “Regulations for the Implementation of the Enterprise Income Tax Law” and other relevant policies, the actual amount of R&D expenses of enterprises that meet the preferential conditions of income tax deduction for R&D expenses for the financial year 2021 shall be deducted by 75%. According to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Improving the Policy of Pre-tax R&D Expenses Deduction (Cai Shui [2021] No.13), with effect from 1<sup>st</sup> January 2021, the proportion of R&D Expenses deduction for manufacturing enterprises has increased to 100%. For manufacturing enterprises that meet the preferential conditions of deduction of R&D expenses in calculation of income tax for the financial year 2021, the actual amount of R&D expenses shall enjoy 100% deduction according to the aforesaid regulations.

12. Nanjing Panda Xinxing Industrial Co., Ltd., a second-level subsidiary of the Company, enjoys the preferential policy of 10% of the VAT deduction from 1<sup>st</sup> April 2019 to 31<sup>st</sup> December 2021 according to the Announcement on Deepening the VAT-reform-related Policies (Announcement of MOF, SAT and General Administration of Customs (GAC) [2019] No. 39). According to the Announcement on Defining the VAT Deduction Policy of the Life Service Industry (Announcement of MOF and SAT [2019] No. 87), from 1<sup>st</sup> October 2019 to 31<sup>st</sup> December 2021, the company enjoys the preferential policy of 15% of VAT deduction.
13. Nanjing Panda Electronic Technology Development Company Limited, a second-level subsidiary of the Company, shall enjoy the preferential policy of 10% VAT deduction from 1<sup>st</sup> April 2019 to 31<sup>st</sup> December 2021 in accordance with the Announcement on Relevant Policies for Deepening VAT Reform (Announcement of MOF, SAT and GAC, [2019] No. 39);
14. Shenzhen Jinghua Property Management Co., Ltd., a third-level subsidiary of the Company, shall enjoy the preferential policy of 10% of VAT deduction from 1<sup>st</sup> April 2019 to 31<sup>th</sup> December 2021 in accordance with the Announcement on Policies Related to Deepening the Reform of VAT (Announcement of MOF, SAT and GAC [2019] No. 39). According to the Announcement on Defining the VAT Deduction Policy of the Life Service Industry (Announcement of SAT and MOF [2019] No. 87), from 1<sup>st</sup> October 2019 to 31<sup>st</sup> December 2021, the company enjoys the preferential policy of 15% of VAT deduction.
15. The Parking Lot of Shenzhen Jinghua Electronics Co., Ltd. a third-level subsidiary of the Company, shall enjoy the preferential policy of “six taxes and two fees” levied by Shenzhen taxation authorities on small-scale VAT taxpayers at a reduced rate of 50% in accordance with the Notice of the Ministry of Finance and the State Administration of Taxation on the Implementation of Inclusive Tax Reduction Policies for Small and Micro Enterprises” (Cai Shui [2019] No. 13).
16. According to the Taxation on VAT Policies for Software Products (Cai Shui [2011] No. 100), if general VAT taxpayers sell self-developed software products or sell the imported software products after localization, after VAT has been collected at a tax rate of 13%, the refund-upon-collection policy shall be applied to the part of actual VAT burden in excess of 3%. A second-level subsidiary of the Company, Nanjing Panda Communication Technology Co., Ltd. could enjoy this preferential policy.

**(XI) Return on net assets and earnings per share**

Profits of the Reporting Period	Weighted average return on net assets (%)	Earnings per share (RMB)	
		Basic	Diluted
Net profit attributable to ordinary shareholders of the Company	0.52	0.0200	0.0200
Net profit attributable to ordinary shareholders of the Company after deducting extraordinary profit and loss	<u>0.17</u>	<u>0.0066</u>	<u>0.0066</u>

**(XII) Profit distribution**

The profit appropriation plan for the year 2020 was approved at the eighteenth meeting of the ninth session of the Board of the Company, pursuant to which, a cash dividend of RMB0.26 (tax inclusive) for every ten shares was distributed on the basis of a total share capital of 913,838,529.00 shares at the end of the Reporting Period of 2020, with the total cash dividend distributed amounting to RMB23,759,801.75. The profit distribution plan was approved at the 2020 annual general meeting of the Company.

**(XIII) Significant accounting policies and accounting estimate change**

**1. Changes in significant accounting policies**

There was no change in significant accounting policies for the Reporting Period.

**2. Changes in significant accounting estimates**

There was no change in significant accounting estimates for the Reporting Period.

#### (XIV) Miscellaneous

As at 30<sup>th</sup> June 2021, the Company provided guarantees for the subsidiaries amounting to RMB188,493,487.99, of which: RMB86,478,695.31 is guaranteed in the form of bank acceptance bill; RMB102,014,792.68 is guaranteed in the form of letter of guarantee (30<sup>th</sup> June 2020: the Company provided guarantees for the subsidiaries amounting to RMB268,900,573.34, of which: RMB106,182,278.06 is guaranteed in the form of bank acceptance bill, RMB156,943,031.03 is guaranteed in the form of letter of guarantee and RMB5,775,264.25 is guaranteed in the form of letter of credit).

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

Nanjing, the People's Republic of China  
25<sup>th</sup> August 2021

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

\* *For illustration purpose only*