

# **Nanjing Putian Telecommunications Co., Ltd.**

## **Annual Report 2025**

**[April 2026]**

# Annual Report 2025

## Section I Important Notes, Contents and Interpretations

**The Board of Directors, directors and senior executives of the Company guarantee the truthfulness, accuracy and completeness of the Annual Report, and ensure that there are no false records, misleading statements or major omissions, and they will be held individually and jointly liable for any legal liability that may arise.**

**Shen Xiaobing, the person in charge of the Company, and Zhang Jie, the person in charge of accounting work, and Zhang Jingxia, the person in charge of the accounting institution (accounting supervisor), declare that: they guarantee the truthfulness, accuracy and completeness of the financial reports in this Annual Report.**

**All directors have attended the board meeting where this report was deliberated.**

**This Annual Report contains forward-looking statements concerning future plans such as the Company's business plan. It is important to note that these plans do not constitute a substantive commitment to investors, and investors and related parties should exercise sufficient risk awareness and carefully consider the differences among plans, forecasts, and commitments.**

**In "Section III Discussion and Analysis of the Management Team", the Company has provided an analysis of the potential risks that may affect the**

**Company's development. We encourage investors to review this section carefully.**

**The Company plans not to distribute cash dividends, issue bonus shares, or convert surplus reserve into share capital.**

**As of the end of the reporting period, the parent company has an accumulated deficit. The accumulated undistributed profit on the parent company's financial statements is -496,761,090.96 RMB, and that on the consolidated financial statements is -403,806,789.70 RMB. The Company is not yet eligible for profit distribution. In light of the Company's actual operating conditions, the Company plans not to distribute cash dividends, issue bonus shares, or convert surplus reserve into share capital for the year 2025. Investors are kindly requested to pay attention to this situation and be aware of investment risks.**

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## **Contents of Documents for Future Reference**

(I) Financial statements containing the signatures and seals of the person in charge of the Company, the person in charge of accounting work and the person in charge of the accounting institution (accounting supervisor).

(II) The original audit report containing the seal of the accounting firm and the signatures and seals of the certified public accountants.

(III) The originals of all Company documents and announcements publicly disclosed during the reporting period.

## Interpretations

Interpretation Item	Means	Interpretation Content
This Company, the Company	Means	Nanjing Putian Telecommunications Co., Ltd.
CETC	Means	China Electronics Technology Group Corporation
CETC Glarun	Means	CETC Glarun Group Co., Ltd.
Southern Telecom	Means	Nanjing Southern Telecom Co., Ltd. (a holding subsidiary of the Company)
Putian Telege	Means	Nanjing Putian Telege Intelligent Building Ltd. (a holding subsidiary of the Company)
Putian Datang	Means	Nanjing Putian Datang Information Electronics Co., Ltd. (a holding subsidiary of the Company)

## Section II Company Profile and Main Financial Indicators

### I. Company Information

Stock Abbreviation	NING TONG XIN B	Stock Code	200468
Stock Exchange	Shenzhen Stock Exchange		
Chinese Name of the Company	南京普天通信股份有限公司		
Chinese Abbreviation of the Company	Nanjing Putian		
English Name of the Company (if any)	Nanjing Putian Telecommunications Co., Ltd.		
Legal Representative	Shen Xiaobing		
Registered Address	No.8 Fenghui Avenue, Yuhua Economic Development Zone, Nanjing		
Postal Code of Registered Address	210039		
Historical Changes of the Company's Registered Address	When the Company was established in 1997, its registered address was Building 1 on the west side of Ericsson in Jiangning Economic and Technological Development Zone, Nanjing; In 2003, the registered address of the Company was changed to No.58 Qinhuai Road, Jiangning Economic and Technological Development Zone, Nanjing; In 2021, the registered address of the Company was changed to No.8 Fenghui Avenue, Yuhua Economic Development Zone, Nanjing.		
Office Address	11 <sup>th</sup> Floor, Building 2 (Block B), Shuchuang Weilai Center, No. 9 Guangjing Road, Qinhuai District, Nanjing, Jiangsu Province		
Postal Code of Office Address	210022		
Company Website	www.postel.com.cn		
E-mail:	pt_daiyuan@cetc.com.cn		

### II. Contact Person and Contact Information

	Board Secretary	Securities Affairs Representative
Name	Li Jing	Dai Yuan
Contact Address	11 <sup>th</sup> Floor, Building 2 (Block B), Shuchuang Weilai Center, No. 9 Guangjing Road, Qinhuai District, Nanjing, Jiangsu Province	11 <sup>th</sup> Floor, Building 2 (Block B), Shuchuang Weilai Center, No. 9 Guangjing Road, Qinhuai District, Nanjing, Jiangsu Province
Tel.:	86-25-69675805	86-25-69675865
Fax.:	86-25-52416518	86-25-52416518
E-mail:	pt_lijing@cetc.com.cn	pt_daiyuan@cetc.com.cn

### III. Information Disclosure and Place for Document Inspection

Website of the stock exchange where the Company discloses its annual report	Shenzhen Stock Exchange ( <a href="http://www.szse.cn">http://www.szse.cn</a> )
Names and websites of the media where the Company discloses its annual report	<i>Securities Times</i> , <i>Shanghai Securities News</i> , CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )

Place where the Company's annual report is available for inspection	The Board Office of the Company
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#### IV. Registration Changes

Unified Social Credit Code	91320000134878054G
Changes in the Company's main business since its listing (if any)	No changes.
Changes in the Company's controlling shareholder over the years (if any)	When the Company was established in 1997, its controlling shareholder was China Post & Telecommunication Industry Corporation (later renamed as China Putian Information Industry Group Corporation, China Putian Information Industry Group Co., Ltd.). In 2005, China Putian Information Industry Group Corporation transferred all its shares to China Putian Information Industry Co., Ltd. free of charge, and the Company's controlling shareholder was changed to China Putian Information Industry Co., Ltd.. In 2022, China Putian Information Industry Co., Ltd. transferred all its shares to CETC Glarun Group Co., Ltd. free of charge, and the Company's controlling shareholder was changed to CETC Glarun Group Co., Ltd..

#### V. Other Relevant Information

Accounting firm engaged by the Company

Name of the accounting firm	Zhongxinghua Certified Public Accountants LLP (Special General Partnership)
Office address of the accounting firm	20 <sup>th</sup> Floor, South Building, Building 1, Yard 20, Lize Road, Fengtai District, Beijing
Name of the signing certified public accountants	Zhao Ming, Zhao Yonghua

Sponsor institution performing continuous supervision duties during the reporting period engaged by the Company

Applicable  Not Applicable

Financial consultant performing continuous supervision duties during the reporting period engaged by the Company

Applicable  Not Applicable

Name of the financial consultant	Office address of the financial consultant	Name of the host sponsors	Continuous supervision period
Guolian Minsheng Securities Underwriting & Sponsorship Co., Ltd.	No.8 Puming Road, China (Shanghai) Pilot Free Trade Zone	Zhou Junyu, Jia Yezhen	December 27, 2024 - December 31, 2025

#### VI. Main Accounting Data and Financial Indicators

Does the Company need to retrospectively adjust or restate the accounting data of previous years?

Yes  No

	Year 2025	Year 2024	Change from the previous year	Year 2023
Operating Revenue (RMB)	617,639,484.96	811,670,527.41	-23.91%	818,334,374.30
Net profit attributable	-9,462,362.33	11,376,879.14	-183.17%	-16,884,077.62

to shareholders of the listed company (RMB)				
Net profit attributable to shareholders of the listed company after deducting non-recurring profit and loss (RMB)	-26,158,017.78	-41,338,708.87	36.72%	-23,157,886.24
Net cash flow from operating activities (RMB)	-87,273,270.59	-17,196,342.40	-407.51%	-6,017,650.03
Basic earnings per share (RMB/share)	-0.04	0.05	-180.00%	-0.08
Diluted earnings per share (RMB/share)	-0.04	0.05	-180.00%	-0.08
Weighted average return on net assets	-83.73%	105.34%	-189.07%	-124.58%
	End of 2025	End of 2024	Change from the end of the previous year	End of 2023
Total assets (RMB)	729,923,596.97	838,023,763.76	-12.90%	826,241,412.27
Net assets attributable to shareholders of the listed company (RMB)	8,250,911.72	14,351,013.02	-42.51%	5,111,258.66

Whether, for the last three consecutive fiscal years, the lower of the net profit before and after deducting non-recurring profit and loss is negative, and the audit report for the most recent year indicates that there is uncertainty about the Company's ability to continue as a going concern:

Yes  No

Whether the lower of the audited total profit, net profit and net profit after deducting non-recurring profit and loss of the Company during the reporting period is negative:

Yes  No

Item	Year 2025	Year 2024	Remarks
Operating Revenue (RMB)	617,639,484.96	811,670,527.41	-
Subtotal of business income unrelated to the main business	9,547,500.84	15,106,674.24	Business income unrelated to the main business
Deduction amount of operating revenue (RMB)	9,547,500.84	15,106,674.24	-
Operating revenue after deduction (RMB)	608,091,984.12	796,563,853.17	-

## VII. Differences in Accounting Data under Domestic and Overseas Accounting Standards

### 1. Differences in net profit and net assets between the financial reports disclosed in accordance with International Financial Reporting Standards and Chinese Accounting Standards:

Applicable  Not Applicable

There is no difference in net profit and net assets between the financial reports disclosed in accordance with International Accounting Standards and Chinese Accounting Standards during the reporting period.

## 2. Differences in net profit and net assets between the financial reports disclosed in accordance with overseas accounting standards and Chinese Accounting Standards:

Applicable  Not Applicable

There is no difference in net profit and net assets between the financial reports disclosed in accordance with overseas accounting standards and Chinese Accounting Standards during the reporting period.

## VIII. Quarterly Main Financial Indicators

Unit: RMB

	Q1	Q2	Q3	Q4
Operating Revenue	137,018,953.06	169,295,165.59	144,783,524.12	166,541,842.19
Net Profit Attributable to Shareholders of the Listed Company	-4,768,833.34	-2,384,367.95	-8,025,274.43	5,716,113.39
Net Profit Attributable to Shareholders of the Listed Company after Deducting Non-recurring Gains and Losses	-4,991,047.69	-2,418,394.67	-11,622,416.10	-7,126,159.32
Net Cash Flow from Operating Activities	-107,998,630.27	-24,266,955.27	-38,769,007.86	83,761,322.81

Are the above financial indicators or their totals significantly different from the relevant financial indicators disclosed in the Company's previously published quarterly reports and semi-annual report?

Yes  No

## IX. Non-recurring Profit and Loss Items and Amounts

Applicable  Not Applicable

Unit: RMB

Item	Amount in 2025	Amount in 2024	Amount in 2023	Description
Gains and losses on disposal of non-current assets (including the write-back of provision for asset impairment)	5,359,026.59	1,083,098.78	-134,939.44	
Government grants included in the current profit or loss (excluding those closely related to the Company's normal business, in line with national policies, enjoyed in accordance with established standards and having a continuous impact on the Company's profit or	1,951,399.86	368,017.41	1,441,162.29	

loss)				
Reversal of provision for impairment of receivables tested individually for impairment	89,028.78		3,413,067.60	
Gains and losses from debt restructuring	649,103.12	1,514,624.88	588,868.84	
Other non-operating income and expenses other than the above items	2,477,843.44	-83,850.26	1,049,278.58	
Other profit and loss items conforming to the definition of non-recurring profit and loss	7,389,153.73	50,832,148.02	717,457.47	
Less: Income tax impact	324,120.69	804,895.34	224,119.31	
Impact of minority shareholders' equity (after tax)	895,779.38	193,555.48	576,967.41	
Total	16,695,655.45	52,715,588.01	6,273,808.62	--

Specific information of other profit and loss items conforming to the definition of non-recurring profit and loss:

Applicable  Not Applicable

The other profit and loss items conforming to the definition of non-recurring profit and loss are mainly the gains from the liquidation and deregistration of the invested company.

Explanation on the situation where the non-recurring profit and loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Profit and Loss* are defined as recurring profit and loss items:

Applicable  Not Applicable

The Company does not have any situation where the non-recurring profit and loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Profit and Loss* are defined as recurring profit and loss items.

## Section III Management's Discussion and Analysis

### I. Principal Business Activities of the Company during the Reporting Period

As one of the important product and solution providers in the domestic information and communication field, the company has always adhered to the "product+solution+service" strategy, continuously accelerating product innovation, industrial structure adjustment, and transformation and upgrading. The company actively integrates into the industry sector of China Electronics Technology Group Corporation's network information system, focusing on the development of communication network basic products, multimedia communication products and solutions, while continuously strengthening its capabilities in smart lighting products, precision manufacturing business, and other areas. The basic business of communication networks focuses on the development of intelligent cabling, data center rooms, MPO high-density multi-core fiber connectors and other products, striving to become the mainstream brand products for high reliability system cabling applications; Multimedia communication products and solutions, with a focus on continuous research and development investment in the field of multimedia communication and innovation in intelligent applications, gradually transitioning from business positioning to "intelligent conferences" to promote the company to seize opportunities in the development of the intelligent industry; Smart lighting product business, with a focus on developing IoT smart lighting systems, solar energy, and mains power controllers; Precision manufacturing business focuses on promoting the comprehensive upgrading of manufacturing equipment and process technology, gradually improving the capability of precision manufacturing business.

The main businesses of the Company and its subsidiaries cover fields such as intelligent conference, intelligent cabling, and smart lighting, mainly including multimedia communication and application solutions, building intelligence integrated solutions, IoT solar energy and mains power street lamp control systems, etc. The products mainly serve customers in large central SOEs, government, finance, electric power, medical and other industries.

Subsidiary Nanfang Telecommunications mainly provides multimedia communication and application solutions for large and medium-sized industry customers in central SOEs, government, finance, medical and other fields. Subsidiary Putian Telege mainly provides customers with mid-to-high-end integrated cabling and building intelligence system solutions. Subsidiary Putian Datang mainly provides customers with mains power, solar street lamp controllers and IoT smart street lamp management and control solutions.

The Company mainly obtains business opportunities by participating in project bidding. It designs solutions according to project requirements, produces or purchases equipment required by customers, and is responsible for installation, commissioning and system integration, realizing profits by deducting costs from the contract price. The Company's operating performance is mainly affected by factors such as capital expenditure, information investment and bidding results of customers in central SOEs, government, finance and other industries, as well as fluctuations in raw material prices and changes in other costs.



**Intelligent cabling/data center products**



**Intelligent Conference Products**



**Smart Lighting Products**



**Precision Manufacturing Business**

## II. Industry Environment during the Reporting Period

According to the data released by the Ministry of Industry and Information Technology, the communication industry will achieve steady growth by 2025, with continuous optimization of the industrial structure, accelerated deployment of new information infrastructure such as 5G and gigabit, and increasingly prominent empowerment effects. High quality development will be promoted in depth.

The communications equipment manufacturing industry is an important foundation of the communications industry. Driven by national policies, the industry is presented with sound development opportunities on the whole. Meanwhile, it is a fully competitive industry with a large number of enterprises and fierce market competition.

In 2025, the communication equipment manufacturing industry where the company is located is undergoing a deep transformation with digitalization, intelligence and integration as the core. The industry as a whole is in a new round of growth stage driven by emerging demands such as artificial intelligence, computing network and industrial Internet. The cyclical feature is that technology iteration dominates and superimposes macroeconomic impact. Industry characteristics during the reporting period: firstly, the explosive demand for AI computing power drives data centers to upgrade to high speed and low latency, which puts forward new requirements for optical communication technology; The second is the demand for domestically produced and controllable products, which profoundly changes the market competition pattern and procurement decisions; The third is to accelerate the integration of application scenarios from a single connection to an integrated solution. The "14th Five Year Plan" for the development of the digital economy and related regulations will bring clear market growth to computing infrastructure and industrial digitization; Regulations such as the Data Security Law have made security and trustworthiness a mandatory threshold for projects, driving a surge in demand for related products; At the same time, the policy of large-scale equipment updates has also stimulated the demand for upgrading and replacing existing facilities. The company currently maintains an important

position in segmented markets such as smart cabling and smart conferencing, and is in a critical period of consolidating traditional advantages and exploring emerging tracks.

The video conference industry will take in-depth technology integration and vertical scenario penetration as its core direction, and enter a critical phase of experience upgrading and market expansion. AI technology will be fully integrated into the entire conference process, realizing functions such as real-time intelligent translation, automatic meeting minutes generation and participant behavior analysis, which greatly improves conference efficiency. The mature application of Virtual Reality (VR)/Augmented Reality (AR) technologies will create immersive virtual meeting rooms, support scenarios including 3D modeling display and virtual sand table collaboration, and meet the demands of high-end business, telemedicine surgical demonstration and teaching. Multi-platform integration and mobility capabilities have been further improved. Technologies such as seamless cross-terminal switching and adaptive network bandwidth optimization have made the conference experience smoother and more convenient, accelerating penetration into vertical scenarios including financial remote in-person signing, dual-teacher classrooms in education and cross-border project collaboration. The upgrading of national network infrastructure and policy dividends from cloud computing continue to be released. The full nationwide coverage of 5G and gigabit networks provides stable support for high-definition conferences, and the further reduction in deployment costs of cloud video conferencing has driven the increase of industry penetration rate. Relying on its ecological cooperation with Huawei and its state-owned enterprise background, the Company will deeply cultivate sectors with high security and compliance requirements such as Party and government authorities and the financial industry, and actively expand customized intelligent conference solutions.

Driven by multiple factors including the implementation of the "Eastern Data, Western Computing" national project, the upgrading of intelligent buildings, the integration of wireless technologies and the accelerated domestic substitution, the intelligent cabling industry has entered a critical phase of technology iteration and in-depth scenario development. In the data center field, 800G high-speed optical fiber cabling, AI intelligent operation and maintenance (O&M) platforms and liquid cooling energy-saving solutions have become the standard configuration of ultra-large computing power hubs. The construction of data center clusters in western China and the upgrade of existing facilities in eastern China have generated structured market increment. In intelligent building scenarios, cabling systems have been upgraded from a "connectivity carrier" to a "perception and control hub", embedded with IoT sensors and edge computing modules to realize cross-domain collaboration with systems such as smart lighting and intelligent conferences, leading to surging demand for the renovation of smart parks and old buildings. In terms of wireless integration, the commercialization of Wi-Fi 7 and the distributed deployment of 5G small cells have promoted in-depth "wired + wireless" coordination, with the Industrial Internet and commercial complexes becoming key implementation scenarios. Domestic substitution continues to deepen, and domestic brands have achieved steady growth in market share in the high-end segment by virtue of technological breakthroughs and customized services. Relying on its multi-business synergy advantages, the Company will focus on core scenarios, seize the opportunities of domestic substitution, and consolidate its leading position in the industry.

### III. Analysis of Core Competitiveness

#### 1. Marketing capability

Adhering to the market-oriented business philosophy, the company has built a mature and complete marketing network, and has long served customers in central enterprises, government, finance, power, medical, Internet enterprises and other industries, with rich industry experience. In addition, the company has established offices in Beijing, Xi'an, Shanghai, Chengdu, Wuhan, Shenzhen and other places, and formed a localized marketing team composed of sales team, technical team and business team to provide customers with professional and customized in-depth services.

#### 2. Product competitiveness

The company adheres to an innovation driven strategy, further strengthens the research and development of new products, and continuously enhances its core competitiveness. The company has over 20 years of rich professional technical service experience in the field of intelligent conferences, focusing on independent research and development capabilities. Its self-developed products have been widely recognized by customers in industries such as central enterprises, governments, finance, and healthcare. The company's intelligent cabling products are positioned in the high-end market, mainly providing customers with high-quality integrated cabling and building intelligent system solutions. They have strong competitive advantages in market sales, product technology level, and have become a well-known brand for domestic independent product substitution. In the field of smart lighting, the company has long been deeply involved in energy-saving controller systems, mainly providing customers with advanced IoT solar energy, city circuit light controllers, and smart street light overall solutions. It has formed a complete system integrating research and development, production, and large-scale sales.

During the reporting period, the company applied for 7 new patents and 6 new software copyrights; 8 new patent authorizations were granted, 6 new software copyrights were obtained, and 1 national standard was participated in the compilation. Putian Tianji has been awarded the title of National Specialized and Innovative "Little Giant" Enterprise and Jiangsu Province "Green Factory". Southern Telecom was awarded the title of "Specialized, Refined, Unique and New" enterprise in Jiangsu Province and received special government support. It was also awarded the title of "Best Practice Partner for Data Storage (Intelligent Collaboration)" by Huawei.

#### 3. Brand influence

The company is an information and communication enterprise under a state-owned enterprise. Southern Telecom has video conferencing series products such as Ruijing and Ruizhi, which have a high reputation in China; Putian Tianji's comprehensive cabling products are well-known brand products and trademarks in Jiangsu Province. They have won the "Top Ten Comprehensive Cabling Brands" award for 21 consecutive years and have become a well-known domestic independent substitute brand; Putian Datang has a strong brand influence in the field of energy-saving control.

### IV. Analysis of Core Business Operations

#### 1. Overview

The year 2025 is not only the decisive year for the successful conclusion of the 14<sup>th</sup> Five-Year Plan, but also the key year for thoroughly implementing the spirit of the Fourth Plenary Session of the 20<sup>th</sup> Central Committee of the Communist Party of China, and more importantly, the pioneering year for the Company to

seize development opportunities and concentrate efforts to overcome difficulties and make breakthroughs. Facing multiple challenges such as market competition, the Company has closely followed the main line of the development of its core responsibilities and businesses, optimized resource allocation, solidly promoted the implementation and effectiveness of various key tasks, and taken solid steps in the process of high-quality development. We have adhered to the guidance of Party building, deepened reform and innovation, and continuously empowered the Company's high-quality development with high-quality Party building; focused on market breakthroughs, strengthened coordination and linkage, and promoted steady progress in performance with the core competitiveness of independent product plans and solutions; deepened reform to create benefits, optimized organizational structure and management processes, and activated the internal momentum of the organization with refined management as the starting point; strictly abided by the compliance bottom line, improved the systematic governance structure, consolidated the foundation of risk prevention and control, and escorted the steady development of the enterprise with systematic governance.

During the reporting period, the Company achieved operating revenue of 617.6395 million RMB, and the net profit attributable to shareholders of the listed company was -9.4624 million RMB.

Development of core business during the reporting period:

The Company targeted its core business and principal responsibilities in the cyber and information sector, focused on the main industrial lines including "communication network infrastructure, multimedia communication products and integration, and smart lighting products", firmly implemented the two-wheel drive strategy of market breakthroughs and independent innovation, and leveraged the advantages of the CETC platform to promote the coordinated development of various businesses.

In terms of smart conference products, the Company achieved a leap in comprehensive delivery capacity, and successively won bids for key projects from core customers such as the Head Office of the Agricultural Bank of China, China Petrochemical Corporation (Sinopec), China National Offshore Oil Corporation (CNOOC), and China Development Bank, resulting in a significant enhancement of its industry influence. The three self-developed systems of Nanjing Southern Telecom Co., Ltd., namely the Ruijing Smart Conference Management System, Multimedia IoT Centralized Control System, and Multimedia Information Release System, completed architectural iteration, and were successfully deployed at leading customers including CNOOC, China General Nuclear Power Corporation (CGN), China Resources Group, and Fujian Provincial Big Data Administration, realizing the large-scale application of independent products in the central enterprise and government markets.

In terms of intelligent cabling products, the Company continued to deepen its presence in the communication infrastructure business, and achieved solid progress in key sectors such as finance and high-reliability fields. The Company successfully won the bid for the "Comprehensive Cabling Service Project for the Data Center Computer Room of Bank of Shanghai" and landmark projects in high-reliability fields, laying a solid foundation for subsequent large-scale business expansion. During the reporting period, core components such as optical fiber connectors developed by Putian Telege achieved domestic substitution and were successfully applied in financial data center projects; shielded cabinet products were deployed in key projects in high-reliability fields; the commissioning of automated production lines for cabling products significantly improved production efficiency and capacity.

In terms of smart lighting products, the Company achieved its first breakthrough in the centralized procurement market of power grids with independent products, and customized products such as off-grid energy storage controllers and smart lighting terminals developed by Putian Datang have been delivered in batches.

## 2. Revenue and Costs

### (1) Composition of Operating Revenue

Unit: RMB

	Year 2025		Year 2024		Year-on-Year Change
	Amount	Proportion in Total Operating Revenue	Amount	Proportion in Total Operating Revenue	
Total Operating Revenue	617,639,484.96	100%	811,670,527.41	100%	-23.91%
By Industry					
Communications Industry	617,639,484.96	100.00%	718,852,729.35	88.56%	-14.09%
Electrical Industry	0.00	0.00%	92,817,798.06	11.44%	-
By Product					
Operating Revenue from Generic Cabling Products	294,056,233.62	47.61%	334,845,850.46	41.25%	-12.18%
Operating Revenue from Video Conference Products	268,214,493.37	43.43%	300,755,072.54	37.05%	-10.82%
Operating Revenue from Intelligent Electrical Products	0.00	0.00%	92,817,798.06	11.44%	-
Operating Revenue from Communication Infrastructure Products and Others	58,699,666.27	9.50%	107,049,684.20	13.19%	-45.17%
Inter-segment Elimination	-3,330,908.30	-0.54%	-23,797,877.85	-2.93%	86.00%
By Region					
Domestic	617,639,484.96	100.00%	811,670,527.41	100.00%	-23.91%
By Sales Model					
Direct Sales	407,994,177.18	66.06%	521,098,366.54	64.20%	-21.70%
Distribution Sales	209,645,307.78	33.94%	290,572,160.87	35.80%	-27.85%

### (2) Information on Industries, Products, Regions and Sales Models Accounting for Over 10% of the Company's Operating Revenue or Operating Profit

Applicable  Not Applicable

Unit: RMB

	Operating Revenue	Operating Costs	Gross Profit Margin	Year-on-Year Change in Operating Revenue	Year-on-Year Change in Operating Costs	Year-on-Year Change in Gross Profit Margin

By Industry						
Communications Industry	617,639,484.96	487,520,396.95	21.07%	-14.08%	-13.31%	-0.70%
Electrical Industry	0.00	0.00	0.00%	-	-	-
By Product						
Operating Revenue from Generic Cabling Products	294,056,233.62	234,606,345.38	20.22%	-12.18%	-12.45%	0.25%
Operating Revenue from Video Conference Products	268,214,493.37	213,171,492.80	20.52%	-10.82%	-9.18%	-1.44%
Operating Revenue from Intelligent Electrical Products	0.00	0.00	0.00%	-	-	-
Operating Revenue from Communication Infrastructure Products and Others	58,699,666.27	42,333,131.57	27.88%	-45.17%	-48.48%	4.64%
Inter-segment Elimination	-3,330,908.30	-2,590,572.80	22.23%	-86.00%	-88.47%	16.61%
By Region						
Domestic	617,639,484.96	487,019,478.78	21.15%	-14.08%	-13.40%	-0.62%
By Sales Model						
Direct Sales	407,994,177.18	321,777,701.34	21.13%	-21.70%	-20.65%	-1.05%
Distribution Sales	209,645,307.78	165,742,695.61	20.94%	-27.85%	-27.85%	-0.01%

Core business data of the Company for the last fiscal year, adjusted on the statistical basis as at the end of the reporting period, where an adjustment to the statistical basis of the Company's core business data has been made during the reporting period.

Applicable  Not Applicable

**(3) Whether the Company's Sales Revenue from Physical Goods is Greater than that from Labor Services**

Yes  No

Industry Category	Item	Unit	Year 2025	Year 2024	Year-on-Year Change
Communications Industry	Sales Volume	RMB	617,639,484.96	718,852,729.35	-14.08%
	Production Volume	RMB	592,440,707.00	714,080,282.13	-17.03%
	Inventory Volume	RMB	61,937,412.34	87,136,190.30	-28.92%
Electrical Industry	Sales Volume	RMB	0	92,817,798.06	-
	Production Volume	RMB	0	91,673,260.78	-

	Inventory Volume	RMB	0	0.00	-

Explanation for Reasons for Changes of Over 30% in Relevant Data Year-on-Year

Applicable  Not Applicable

**(4) Performance of Major Sales Contracts and Major Procurement Contracts Signed by the Company as of the End of the Reporting Period**

Applicable  Not Applicable

**(5) Composition of Operating Costs**

Industry Category

Unit: RMB

Industry Category	Item	Year 2025		Year 2024		Year-on-Year Change
		Amount	Proportion in Total Operating Costs	Amount	Proportion in Total Operating Costs	
Communications Industry	Cost of Core Business - Raw Material Expenses (Procurement Costs)	446,664,067.98	91.62%	514,103,961.41	80.93%	-13.12%
Communications Industry	Cost of Core Business - Others	37,132,240.15	7.62%	33,073,571.90	5.21%	12.27%
Communications Industry	Cost of Other Businesses	3,724,088.82	0.76%	14,718,160.19	2.32%	-74.70%
Electrical Industry	Cost of Core Business - Raw Material Expenses (Procurement Costs)	0.00	0.00%	64,559,001.70	10.16%	-
Electrical Industry	Cost of Core Business - Others	0.00	0.00%	8,273,534.85	1.30%	-
Electrical Industry	Cost of Other Businesses	0.00	0.00%	496,500.00	0.08%	-
Total	Operating Costs	487,520,396.95	100.00%	635,224,730.05	100.00%	-23.25%

Notes

**(6) Whether there was a Change in the Scope of Consolidation during the Reporting Period**

Yes  No

**(7) Information on Major Changes or Adjustments to the Company's Business, Products or Services during the Reporting Period**

Applicable  Not Applicable

## (8) Information on Major Sales Customers and Major Suppliers

### Information on the Company's Major Sales Customers

Total Sales Amount from the Top Five Customers (RMB)	102,872,376.16
Proportion of Total Sales Amount from the Top Five Customers in Total Annual Sales	16.66%
Proportion of Sales to Related Parties in Sales from the Top Five Customers in Total Annual Sales	8.88%

### Information on the Company's Top Five Customers

S/N	Customer Name	Sales Amount (RMB)	Proportion in Total Annual Sales
1	Customer I	54,874,459.32	8.88%
2	Shenzhen Huawang Enterprise Management Co., Ltd.	15,242,524.22	2.47%
3	China Investment Corporation	12,968,778.74	2.10%
4	Customer IV	10,513,162.54	1.70%
5	China Development Bank	9,273,451.34	1.50%
Total	--	102,872,376.16	16.66%

### Explanation of Other Information on Major Customers

Applicable  Not Applicable

Shenzhen Huawang Enterprise Management Co., Ltd., China Investment Corporation, and China Development Bank are each among the newly added top five customers.

### Information on the Company's Major Suppliers

Total Procurement Amount from the Top Five Suppliers (RMB)	149,688,934.33
Proportion of Total Procurement Amount from the Top Five Suppliers in Total Annual Procurement	30.71%
Proportion of Procurement from Related Parties in Procurement from the Top Five Suppliers in Total Annual Procurement	0.00%

### Information on the Company's Top Five Suppliers

S/N	Supplier Name	Procurement Amount (RMB)	Proportion in Total Annual Procurement
1	Supplier I	58,457,720.17	11.99%
2	Supplier II	27,835,594.00	5.71%
3	Zhejiang Shengyang Technology Co., Ltd.	25,928,883.44	5.32%
4	Supplier IV	22,762,549.41	4.67%
5	Unisplendour Digital (Suzhou) Group Co., Ltd.	14,704,187.31	3.02%
Total	--	149,688,934.33	30.71%

### Explanation of Other Information on Major Suppliers

Applicable  Not Applicable

Zhejiang Shengyang Technology Co., Ltd. and Unisplendour Digital (Suzhou) Group Co., Ltd. are each among the newly added top five suppliers.

Proportion of the Company's Trading Business Revenue in Operating Revenue Exceeded 10% during the Reporting Period

Applicable  Not Applicable

### 3. Expenses

Unit: RMB

	Year 2025	Year 2024	Year-on-Year Change	Explanation for Major Changes
Selling Expenses	55,636,075.45	71,756,768.98	-22.47%	
Administrative Expenses	43,658,123.43	62,275,909.90	-29.90%	
Financial Expenses	8,597,553.21	10,163,792.27	-15.41%	
R&D Expenses	29,208,797.71	34,850,835.24	-16.19%	

### 4. R&D Investment

Applicable  Not Applicable

Name of Major R&D Projects	Purpose of the Project	Progress of the Project	Intended Objectives	Expected Impact on the Company's Future Development
R&D Project for Category 6 Shielded, Category 6A Shielded and Unshielded Modules and Automated Production Line	Continuous iteration based on customer and market demands.	Project acceptance has been completed.	Enrich the Company's product portfolio and improve product technical specifications.	Improve product performance, enhance product competitiveness, and drive business growth.
R&D of Integrated Micro-Module Project for Data Center Reserve	Develop new products based on customer and market demands.	Project acceptance has been completed.	Meet customer demands and enrich the Company's product portfolio.	Expand the Company's product categories and enhance the diversification of the Company's products.
Completion of R&D for Ruijing Conference Management System V2.0	Continuous iteration based on customer and market demands.	Project acceptance has been completed.	Enrich the Company's product portfolio and improve product technical specifications.	Improve product performance, enhance product competitiveness, and drive business growth.
Completion of R&D for Ruijing IoT Centralized Control System V2.0	Continuous iteration based on customer and market demands.	Project acceptance has been completed.	Enrich the Company's product portfolio and improve product technical specifications.	Improve product performance, enhance product competitiveness, and drive business growth.
Completion of R&D for Ruijing Information Release System V2.0	Continuous iteration based on customer and market demands.	Project acceptance has been completed.	Enrich the Company's product portfolio and improve product technical specifications.	Improve product performance, enhance product competitiveness, and drive business growth.
Project on the Application of Anti-Leakage Watermarking in Video Conferences	Develop new products based on customer and market demands.	Project acceptance has been completed.	Meet customer demands and enrich the Company's product portfolio.	Expand the Company's product categories and enhance the diversification of the Company's products.
Off-Grid Energy Storage MPPT	Continuous iteration based on customer and	Project acceptance has been completed.	Enrich the Company's product portfolio and	Improve product performance, enhance

Controller	market demands.		improve product technical specifications.	product competitiveness, and drive business growth.
Smart Lighting Monitoring Terminal	Continuous iteration based on customer and market demands.	Project acceptance has been completed.	Enrich the Company's product portfolio and improve product technical specifications.	Improve product performance, enhance product competitiveness, and drive business growth.

Information on the Company's R&D Personnel

	Year 2025	Year 2024	Change Ratio
Number of R&D Personnel (Person)	271	287	-5.57%
Proportion of R&D Personnel in Total Workforce	44.00%	39.70%	4.3%
Educational Background of R&D Personnel			
Bachelor's Degree	175	179	-2.23%
Master's Degree	4	5	-20.00%
Doctoral Degree	1	1	0.00%
Below Bachelor's Degree	91	102	-10.78%
Age Structure of R&D Personnel			
Under 30 years old	63	64	-1.56%
30-40 years old	134	140	-4.29%
40-50 years old	65	66	-1.52%
Over 50 years old	9	17	-47.06%

Information on the Company's R&D Investment

	Year 2025	Year 2024	Change Ratio
Amount of R&D Investment (RMB)	29,208,797.71	34,850,835.24	-16.19%
Proportion of R&D Investment in Operating Revenue	4.73%	4.29%	0.44%
Capitalized Amount of R&D Investment (RMB)	0.00	0.00	0.00%
Proportion of Capitalized R&D Investment in Total R&D Investment	0.00%	0.00%	0.00%

Reasons for and Impact of Major Changes in the Composition of the Company's R&D Personnel

Applicable  Not Applicable

Reasons for Significant Changes in the Proportion of Total R&D Investment in Operating Revenue Compared with the Previous Year

Applicable  Not Applicable

Reasons for Significant Changes in the Capitalization Rate of R&D Investment and Explanation of Its Rationality

Applicable  Not Applicable

## 5. Cash Flow

Unit: RMB

Item	Year 2025	Year 2024	Year-on-Year Change
Total Cash Inflow from Operating Activities	589,112,774.23	785,630,524.06	-25.01%
Total Cash Outflow from Operating Activities	676,386,044.82	802,826,866.46	-15.75%
Net Cash Flow from Operating Activities	-87,273,270.59	-17,196,342.40	-407.51%
Total Cash Inflow from Investing Activities	5,621,791.00	108,162,382.81	-94.80%
Total Cash Outflow from Investing Activities	3,193,809.83	3,407,560.46	-6.27%
Net Cash Flow from Investing Activities	2,427,981.17	104,754,822.35	-97.68%
Total Cash Inflow from Financing Activities	202,614,067.87	154,800,000.00	30.89%
Total Cash Outflow from Financing Activities	226,040,376.55	118,210,811.10	91.22%
Net Cash Flow from Financing Activities	-23,426,308.68	36,589,188.90	-164.03%
Net Increase in Cash and Cash Equivalents	-108,276,466.07	124,150,384.32	-187.21%

Explanation of Main Influencing Factors for Major Year-on-Year Changes in Relevant Data

Applicable  Not Applicable

The net cash flow generated from operating activities decreased year-on-year, mainly due to the phased impact of project delivery during the reporting period, resulting in a decrease in some project payments compared to 2024.

The year-on-year decrease in cash inflows from investment activities is mainly due to the company's cash recovery from selling equity in subsidiaries in 2024, and no such projects in 2025.

The reason for the year-on-year decrease in net cash flows generated from investment activities is the same as above.

The year-on-year increase in cash inflows from financing activities is mainly due to the stable arrangement of funds for long-term loans during the reporting period.

The year-on-year increase in cash outflows from financing activities is mainly due to the repayment of long-term loans due during the reporting period.

The net cash flow generated from financing activities decreased year-on-year, mainly due to the company's optimization of debt structure, proactive reduction of external borrowing scale, and timely fulfillment of debt repayment obligations. The overall debt structure has become more reasonable, and financial risks remain controllable.

The net increase in cash and cash equivalents decreased year-on-year, mainly due to the combined impact of cash flows from operating activities, investing activities, and financing activities.

Explanation for Reasons for Significant Differences between the Net Cash Flow from Operating Activities Generated by the Company during the Reporting Period and the Net Profit for the Current Year

Applicable  Not Applicable

## V. Analysis of Non-Core Business

Applicable  Not Applicable

Unit: RMB

	Amount	Proportion of Total Profit	Explanation of Causes	Sustainability
Investment Income	8,038,145.41	1,785.55%	Mainly generated from the liquidation and deregistration of subsidiaries	No
Asset Impairment Loss	-2,237,689.03	-497.07%	Loss from inventory write-down	No
Non-Operating Income	3,000,746.99	666.57%	Mainly from the reversal of long-term payables that are unable to be settled	No
Non-Operating Expenses	522,903.55	116.16%	Mainly including product quality settlement funds and late payment fines	No
Credit impairment loss	-6,979,118.96	-1,550.31%	According to the new financial instrument standards, provision for expected credit losses shall be made for accounts receivable, other receivables, and notes receivable	No

## VI. Analysis of Assets and Liabilities

### 1. Major Changes in Asset Composition

Unit: RMB

	End of 2025		Beginning of 2025		Change in Proportion	Explanation for Major Changes
	Amount	Proportion of Total Assets	Amount	Proportion of Total Assets		
Monetary Funds	182,285,495.92	24.97%	292,600,989.80	34.92%	-9.95%	
Accounts Receivable	323,586,922.02	44.33%	293,535,326.34	35.03%	9.30%	
Contract Assets	0.00	0.00%	0.00	0.00%	0.00%	
Inventories	61,937,412.34	8.49%	87,136,190.30	10.40%	-1.91%	
Investment Properties	4,977,270.72	0.68%	5,547,238.47	0.66%	0.02%	
Long-term Equity Investments	0.00	0.00%	10,412,683.37	1.24%	-1.24%	
Fixed Assets	84,173,058.11	11.53%	85,757,024.11	10.23%	1.30%	
Construction in Progress	0.00	0.00%	0.00	0.00%	0.00%	
Right-of-Use Assets	2,187,184.72	0.30%	2,447,793.04	0.29%	0.01%	
Short-term Borrowings	203,925,721.98	27.94%	128,127,987.75	15.29%	12.65%	

Contract Liabilities	8,426,313.45	1.15%	24,794,919.13	2.96%	-1.81%	
Long-term Borrowings	0.00	0.00%	70,000,000.00	8.35%	-8.35%	
Lease Liabilities	0.00	0.00%	840,373.96	0.10%	-0.10%	

High Proportion of Overseas Assets

Applicable  Not Applicable

## 2. Assets and Liabilities Measured at Fair Value

Applicable  Not Applicable

Unit: RMB

Item	Opening Balance	Fair Value Change Gain or Loss for the Period	Cumulative Fair Value Changes Recognized in Equity	Impairment Provision Made for the Period	Additions during the Period	Disposals during the Period	Other Changes	Closing Balance
Financial Assets								
4. Other Equity Instrument Investments	741,953.00							741,953.00
Subtotal of Financial Assets	741,953.00							741,953.00
Notes Receivable Financing	34,520,299.04							27,655,375.14
Total Above	35,262,252.04							28,397,328.14
Financial Liabilities	0.00							0.00

Details of Other Changes

Whether there have been material changes in the measurement attributes of the Company's major assets during the reporting period

Yes  No

## 3. Restrictions on Asset Rights as at the End of the Reporting Period

Item	Closing Book Value	Reason for Restriction
Monetary Funds	2,233,897.56	Deposits
Fixed Assets	52,986,451.08	Mortgaged
Intangible Assets	4,901,288.52	Mortgaged

Total	60,121,637.16
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Except for the assets whose ownership or use rights are restricted as mentioned above, the parent company, China Electronics Guorui Group Co., Ltd., provides guarantees for our company's loan to China Electronics Technology Finance Co., Ltd. The company pledges its 40% equity of its subsidiary, Nanjing Putian Tianji Building Intelligence Co., Ltd., corresponding to a capital contribution of 8 million yuan to the parent company; The company will pledge 56.28% equity of its subsidiary Nanjing Southern Telecom Co., Ltd., corresponding to a capital contribution of 28.534 million yuan, to the parent company for the purpose of entrusting China Electronics Technology Finance Co., Ltd. to pay a loan to the company; Our company will pledge 40% equity of its subsidiary Nanjing Putian Datang Information Electronics Co., Ltd., corresponding to a capital contribution of 4 million yuan, to China Electronics Technology Leasing Co., Ltd. for the purpose of handling financing leasing business with China Electronics Technology Leasing Co., Ltd. The transfer of equity in the above-mentioned subsidiaries is restricted before the release of the pledge.

## VII. Analysis of Investment Status

### 1. Overview

Applicable  Not Applicable

Investment Amount during the Reporting Period (RMB)	Investment Amount for the Corresponding Period of the Previous Year (RMB)	Change Rate
5,030,595.86	3,690,761.05	36.30%

### 2. Major Equity Investments Acquired during the Reporting Period

Applicable  Not Applicable

### 3. Major Non-Equity Investments in Progress during the Reporting Period

Applicable  Not Applicable

### 4. Financial Asset Investments

#### (1) Securities Investments

Applicable  Not Applicable

The Company had no securities investments during the reporting period.

#### (2) Derivatives Investments

Applicable  Not Applicable

The Company had no derivatives investments during the reporting period.

## VIII. Disposal of Major Assets and Equity Interests

### 1. Disposal of Major Assets

Applicable  Not Applicable

The Company did not dispose of any major assets during the reporting period.

### 2. Disposal of Major Equity Interests

Applicable  Not Applicable

## IX. Analysis of Major Holding and Participating Companies

Applicable  Not Applicable

Details of Major Subsidiaries and Participating Companies whose Impact on the Company's Net Profit Exceeds 10%

Unit: RMB

Company name	Type of Company	Principal Business	Registered Capital	Total Assets	Net Assets	Operating Revenue	Operating Profit	Net Profit
Nanjing Southern Telecom Co., Ltd.	Subsidiary	Multimedia communication and application solutions	RMB 50.70 million	313,824,081.88	117,823,896.28	268,214,493.37	3,131,846.08	2,982,757.67
Nanjing Putian Telege Intelligent Building Ltd.	Subsidiary	Development, production and sales of generic cabling and building intelligent products	RMB 20.00 million	313,570,007.02	109,195,798.02	294,056,233.62	15,918,953.14	15,051,430.91
Nanjing Putian Datang Information Electronics Co., Ltd.	Subsidiary	R&D, production and sales of mains and solar street light controllers, as well as production and processing of electronic products	RMB 10.00 million	54,142,271.04	27,601,575.70	26,915,214.11	815,004.45	881,786.32

Acquisition and Disposal of Subsidiaries during the Reporting Period

Applicable  Not Applicable

Explanation of the situation of the main holding and participating companies

The company liquidated and cancelled its equity participation in SEI-Nanjing Putian Optical Network confirming an investment income of 7.3892 million yuan.

## X. Structured Entities Controlled by the Company

Applicable  Not Applicable

## XI. Outlook on the Company's Future Development

The year 2026 marks the first year of the 15<sup>th</sup> Five-Year Plan. The Company will fully implement all decisions and arrangements made by the Party Leadership Group of China Electronics Technology Group Corporation (CETC) and the Party Committee of CETC Glarun Group Co., Ltd., anchor the core goal of high-quality development, and adhere to the dual-wheel drive of Party building leadership and strategic coordination. The Company will focus on its core businesses including intelligent buildings, generic cabling, data centers, video conferencing and smart lighting, continuously optimize its strategic layout, promote independent innovation, strengthen coordination and linkage, deepen lean management, stimulate endogenous development momentum, and spare no effort to achieve new leaps and embark on a new journey in the high-quality development of the Company.

### (I) Key Annual Priorities of the Company

1. Focus on market breakthroughs and strengthen in-depth industry expansion. Centering on the three core paths of “focusing on advantageous markets, deepening independent innovation, and strengthening coordination and linkage”, the Company will systematically advance market development and business breakthroughs. With major projects as the starting point, the Company will guide its core businesses to focus on high-value sectors, deeply cultivate core strategic industries including finance, energy and high-reliability fields, and realize the transformation from single project breakthroughs to ecological operation. The Company will strive to deepen industry-wide penetration, fully tap the value of existing customers, extend from single product supply to full life cycle services and overall solutions, so as to enhance customer stickiness and comprehensive returns.

2. Promote independent innovation and build differentiated competitive advantages. The Company has always adhered to the innovation-driven development strategy through scientific and technological innovation. It will increase the allocation of R&D resources to strategic products, actively carry out external cooperation, strive to develop new technologies and products, enhance scientific and technological competitiveness, and explore new sources of economic growth.

3. Strictly control cost budgeting and improve asset efficiency. Centered on budgetary control and with asset revitalization as the breakthrough point, the Company will systematically advance cost optimization and operational efficiency enhancement, while stepping up efforts to ensure full coverage of demand letters for all outstanding receivables and initiate legal proceedings wherever warranted, as well as strengthen the collection and reduction of the "two funds" (accounts receivable and inventory).

4. Revitalize existing assets and release resource efficiency. The Company will fully revitalize low-efficiency and non-performing assets through diversified means, optimize the asset allocation structure, and improve asset utilization efficiency.

### (II) Risks the Company May Face in Its Development:

#### 1. Risks of market competition

The communication industry in which the company operates belongs to a perfectly competitive industry, with a large number of enterprises in the industry. At the same time, the current slowdown in national economic growth has further intensified industry competition. The company has accumulated certain competitive advantages in brand, technology, quality, marketing and other aspects through long-term business development. If the company's products cannot adapt to future market changes, they may lose their original advantages in market competition.

Response measures: The company will continue to rely on its existing advantages to consolidate traditional markets, actively explore high-quality fields such as central enterprises, finance, government, energy, civil aviation, etc., strengthen and expand the social industry market, accelerate industrial transformation and upgrading, and cultivate strategic emerging industries. Continuously strengthen cost control, consolidate product manufacturing and technological research and development capabilities, and steadily enhance market competitiveness. At the same time, pay attention to market dynamics, grasp market information, adjust sales policies in a timely manner, actively respond to market changes, and maintain market competitiveness.

#### 2. Technical research and development risks

The technological development and product upgrading in the communication industry are very rapid. If the company's existing products and technology platforms cannot be upgraded and transformed in a timely manner according to market demand, or if the research and development results do not meet market demand, it will have a negative impact on the company's operations.

Response measures: The company will actively track the development trends of industry technology, vigorously promote technological innovation guided by the market, optimize product technology through independent research and development, form differentiated competitiveness, and expand the layout of new product projects, striving to maintain a leading position in technology in the industry.

#### 3. Procurement risk

Due to the increased uncertainty in the external environment, the price trends and supply stability of the main raw materials used in the company's daily production, such as iron, copper, steel plates, and optical fibers, have an impact on the company's profitability. Although the company's raw material supply channels are smooth and relatively sufficient, it cannot be completely ruled out that changes in the supply and demand structure of related raw materials may lead to supply shortages or fluctuations in prices and quality, which may have adverse effects on the company's product quality, costs, and profitability.

Response measures: The company will strengthen strategic cooperation with core suppliers and explore the establishment of a more flexible supply chain system to cope with potential supply interruption risks; We will transfer or resolve the pressure of rising raw material prices through various means such as technological innovation, product structure optimization, and improving customer cooperation depth.

#### 4. Risk of tight cash flow

The company's products mainly serve customers in industries such as central enterprises and governments. Due to factors such as long approval processes and project completion cycles, the sales collection cycle is relatively long, and the cash flow pressure is high.

Response measures: The company adheres to budget management of funds, coordinates the reasonable ratio of fund payments and withdrawals, and ensures the dynamic balance of cash flow; The company classifies and collects long aged accounts receivable, increases assessment efforts, formulates reward and punishment measures, promotes timely collection of payments, strengthens inventory management, and improves inventory liquidity; Obtain a certain amount of working capital financing from financial institutions as needed.

## XII. Receipt of Research, Communication and Interview Activities during the Reporting Period

Applicable  Not Applicable

Date of Reception	Venue of Reception	Reception Method	Type of Counterparty	Counterparty	Main Topics Discussed and Materials Provided	Index for Basic Information of the Research Activity
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May 13, 2025	Company Conference Room	On-site Research	Individual	Individual Investor	Introduction to the Company's key work, no materials provided	CNINFO (www.cninfo.com.cn)
May 30, 2025	Value Online	Online Communication via Web Platform	Others	Investors participating in the Company's 2024 Annual Online Performance Briefing	Q&A on the Company's operation and industry development, no materials provided	CNINFO (www.cninfo.com.cn)
June 25, 2025	Company Conference Room	On-site Research	Institutional, Individual	Investors and representatives of Minsheng Securities	Q&A on the Company's operation and industry development, no materials provided	CNINFO (www.cninfo.com.cn)

### **XIII. Formulation and Implementation of Market Value Management System and Valuation Enhancement Plan**

Has the Company formulated a market value management system?

Yes  No

Has the Company disclosed a valuation enhancement plan?

Yes  No

### **XIV. Implementation of the Action Plan for "Dual Improvement of Quality and Returns"**

Has the Company disclosed the announcement on the Action Plan for "Dual Improvement of Quality and Returns"?

Yes  No

## Section IV Corporate Governance, Environmental and Social Responsibility

### I. Basic Status of Corporate Governance

The Company has strictly complied with the requirements of the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Code of Corporate Governance for Listed Companies*, *Stock Listing Rules of the Shenzhen Stock Exchange* and other relevant laws and regulations, established a governance system consisting of the General Meeting of Shareholders, the Board of Directors and the executive management, and created a governance structure with clearly defined powers and responsibilities, each performing its own duties and operating in a coordinated manner. The Company has improved its internal control system, strengthened internal and external supervision, and enhanced the level of standardized operation. During the reporting period, the Company adhered to the combination of Party organization development and corporate governance, operated in accordance with the law, earnestly safeguarded the legitimate rights and interests of minority shareholders, and promoted the sustained and sound development of the Company.

#### 1. Shareholders and General Meeting of Shareholders

The Company has formulated the Articles of Association of the Company in strict accordance with the *Company Law of the People's Republic of China*, *Guidelines for the Articles of Association of Listed Companies* and other laws and regulations, to ensure that all shareholders enjoy equal rights and assume corresponding obligations in accordance with the shares they hold. The convening, holding and voting of the General Meeting of Shareholders are conducted in accordance with laws and regulations. The Company provides online voting for all shareholders to ensure their right to know and right to make decisions on material matters. The decision-making procedures for related party transactions strictly abide by the provisions of laws and regulations and the *Articles of Association*, and no circumstances have occurred that damage the interests of the Company and non-related shareholders.

#### 2. Directors and Board of Directors

The Company elects directors in strict accordance with the election procedures stipulated by laws and regulations and the *Articles of Association*. The Board of Directors of the Company consists of 8 members, including 3 independent directors. The number and composition of the Board of Directors comply with the requirements of laws and regulations. The Board of Directors, independent directors, and special committees of the Board of Directors exercise their powers in accordance with the provisions of laws and regulations and the *Articles of Association*, and safeguard the legitimate rights and interests of the Company and all shareholders. All directors abide by the relevant provisions of laws, regulations and the *Articles of Association*, perform their duties diligently and prudently, attend Board meetings in earnest, express their opinions on the matters under discussion, and ensure the efficient operation and scientific decision-making of the Board of Directors. The convening and holding procedures of the Board of Directors are legal and the operation is standardized.

#### 3. Senior Management and Incentives

The Company appoints senior management in strict accordance with statutory procedures and the provisions of the *Articles of Association*. There is no circumstance where the controlling shareholder, the actual controller and their related parties interfere with the normal appointment and removal procedures of senior management, or directly appoint or remove senior management by bypassing the General Meeting of

Shareholders and the Board of Directors. The Company has established a mechanism linking remuneration to corporate performance and individual performance, and takes the performance evaluation of senior management as an important basis for their remuneration and other incentives.

#### 4. Controlling Shareholder and Its Related Parties

The Company's controlling shareholder exercises its shareholder rights and performs its shareholder obligations towards the Company in accordance with the law. There is no circumstance where the controlling shareholder and the actual controller have used their control rights to damage the legitimate rights and interests of the Company and other shareholders. The nomination or recommendation of director candidates by the controlling shareholder complies with the conditions and procedures stipulated by laws and regulations and the *Articles of Association*. Major decisions of the Company are made by the General Meeting of Shareholders and the Board of Directors in accordance with the law. The Company is completely separated from the controlling shareholder and the actual controller in terms of personnel, assets and finance, and is independent in terms of organization and business, with independent accounting and independent assumption of responsibilities and risks for each party. Strict decision-making procedures and information disclosure obligations are performed for related party transactions in accordance with relevant regulations. The Company does not provide guarantees for the controlling shareholder and its affiliated enterprises, nor is there any circumstance of non-operational fund occupation of the Company by the controlling shareholder.

#### 5. Stakeholders, Environmental Protection and Social Responsibility

The Company respects the legitimate rights of stakeholders including banks and other creditors, employees, customers, suppliers and the community. While maintaining the Company's development, striving to improve operating performance and protecting the interests of shareholders, the Company actively fulfills its social responsibilities, conducts effective communication and cooperation with stakeholders, and jointly promotes the sustained and steady development of the Company and the industry.

#### 7. Information Disclosure and Transparency

The Company strictly performs its information disclosure obligations in accordance with the provisions of laws and regulations, self-regulatory rules and the *Articles of Association*, continuously strengthens the standardization of information disclosure, carries out investor communication work in accordance with regulations, fully protects the shareholders' right to know, ensures the transparency of information disclosure, and guarantees that all shareholders of the Company can obtain information on an equal basis.

Whether there is any material discrepancy between the actual status of the Company's corporate governance and the provisions on corporate governance of listed companies issued by laws, administrative regulations and the China Securities Regulatory Commission (CSRC)?

Yes  No

There is no material discrepancy between the actual status of the Company's corporate governance and the provisions on corporate governance of listed companies issued by laws, administrative regulations and the CSRC.

## **II. Independence of the Company from the Controlling Shareholder and Actual Controller in Terms of Assets, Personnel, Finance, Organization and Business**

The Company is mutually independent and completely separated from the controlling shareholder, the actual controller and other related parties in terms of assets, personnel, finance, organization and business.

#### 1. Assets

The assets owned by the Company are independent, complete and with clear property rights, and there is no circumstance where such assets are occupied or controlled by directors, senior management, the controlling shareholder, the actual controller and their related parties.

## 2. Personnel

The Company has an independent labor and personnel system and an independent workforce. Senior management are appointed in accordance with relevant provisions, and do not hold any other administrative positions other than director in the controlling shareholder or enterprises controlled by it.

## 3. Finance

The Company has set up an independent finance department, established an independent financial accounting system, and has standardized financial and accounting systems as well as financial management systems for branches and subsidiaries. The Company is able to make independent financial decisions, and there is no circumstance where the controlling shareholder interferes with the Company's use of funds.

## 4. Organization

The Company has established an independent and complete corporate governance structure and internal operation and management institutions. The Board of Directors and other internal institutions operate independently, and there is no mixed operation with the controlling shareholder.

## 5. Business

The Company has a complete business system including procurement, production, sales and R&D systems, makes independent decisions and operates independently, and does not need to rely on shareholders and other related parties for production and operation activities.

### III. Horizontally Competitive Business Status

Applicable  Not Applicable

### IV. Information on Directors and Senior Management

#### 1. Basic Information

Name	Gender	Age	Position	Employment Status	Commencement Date of Term	Expiration Date of Term	Number of Shares Held at the Beginning of the Period (Shares)	Number of Shares Increased in the Current Period (Shares)	Number of Shares Reduced in the Current Period (Shares)	Other Changes in Shares (Shares)	Number of Shares Held at the End of the Period (Shares)	Reasons for Changes in Shareholdings
Shen Xiaobing	Male	47	Chairman of the Board	Incumbent	November 13, 2024		0	0	0	0	0	
Shen Xiaobing	Male	47	Director	Incumbent	October 18, 2022		0	0	0	0	0	
Jia Haowen	Female	45	Director	Incumbent	May 28, 2025		0	0	0	0	0	
Shen Kejian	Male	47	Director	Incumbent	December 23, 2024		0	0	0	0	0	

Hu Yifei	Male	35	Director	Incumbent	November 18, 2025		0	0	0	0	0
Wang Xingyu	Male	47	Director	Incumbent	October 18, 2022		0	0	0	0	0
Song Tiecheng	Male	58	Independent Director	Incumbent	October 18, 2022		0	0	0	0	0
Gao Jing	Female	57	Independent Director	Incumbent	October 18, 2022		0	0	0	0	0
Huang Linkui	Male	45	Independent Director	Incumbent	October 18, 2022		0	0	0	0	0
Jia Haowen	Female	45	General Manager	Incumbent	April 11, 2025		0	0	0	0	0
Zhang Jie	Male	39	Chief Financial Officer	Incumbent	March 3, 2025		0	0	0	0	0
Li Jing	Female	50	Deputy General Manager	Incumbent	October 18, 2022		0	0	0	0	0
Li Jing	Female	50	Board Secretary	Incumbent	August 23, 2017		0	0	0	0	0
Wang Jianfeng	Male	51	Deputy General Manager	Incumbent	March 3, 2025		0	0	0	0	0
Chen Hao	Male	47	Deputy General Manager	Incumbent	May 28, 2025		0	0	0	0	0
Jiang Yi	Male	45	Director	Departure from office	March 6, 2023	May 28, 2025	0	0	0	0	0
Jiang Yi	Male	45	General Manager	Departure from office	February 16, 2023	April 11, 2025	0	0	0	0	0
Shi	Male	52	Director	Departure	October	November	0	0	0	0	0

Jiandong			or	ure from office	r 18, 2022	mber 18, 2025						
Liao Rongchao	Male	51	Deputy General Manager and Chief Accountant	Departure from office	October 18, 2022	March 3, 2025	0	0	0	0	0	
Fu Guokai	Male	35	Chief Legal Counsel	Departure from office	October 18, 2022	November 18, 2025	0	0	0	0	0	
Total	--	--	--	--	--	--	0	0	0	0	0	--

Whether any directors or senior management left their positions during their term of office in the reporting period?

Yes  No

During the reporting period, Mr. Jiang Yi and Mr. Shi Jiandong, former directors, no longer served as directors of the company due to job transfers. Mr. Liao Rongchao, former deputy general manager and chief accountant, no longer served as deputy general manager and chief accountant due to job transfers. Mr. Fu Guokai, former general legal advisor, resigned after his term of office expired.

Changes in Directors and Senior Management of the Company

Applicable  Not Applicable

Name	Position Held	Type	Date	Reason
Jia Haowen	Director	Elected	May 28, 2025	Job Transfer
Jia Haowen	General Manager	Appointed	April 11, 2025	Job Transfer
Zhang Jie	Chief Financial Officer	Appointed	March 3, 2025	Job Transfer
Wang Jianfeng	Deputy General Manager	Appointed	March 3, 2025	Job Transfer
Chen Hao	Deputy General Manager	Appointed	May 28, 2025	Job Transfer
Jiang Yi	Director	Departure from office	May 28, 2025	Job Transfer
Jiang Yi	General Manager	Departure from office	April 11, 2025	Job Transfer
Liao Rongchao	Deputy General Manager	Departure from office	March 3, 2025	Job Transfer
Fu Guokai	Chief Legal Counsel	Resigned upon Expiration of Term	November 18, 2025	Job Transfer

## 2. Employment Status

Professional Background, Main Work Experience and Current Primary Responsibilities in the Company of the Company's Incumbent Directors and Senior Management

Directors:

Shen Xiaobing, male, born in 1978, bachelor's degree, engineer. He entered the workforce in 1997, and formerly served as General Manager of Nanjing Lopu Technology Co., Ltd. and General Manager of Nanjing Lopu Co., Ltd. He is currently Deputy General Manager of CETC Glarun Group Co., Ltd., Chairman of the Board and Party Secretary of Nanjing Putian Telecommunications Co., Ltd., and concurrently Chairman of

Nanjing Lopu Technology Co., Ltd., Chairman of Nanjing Lopu Co., Ltd., and Chairman of Nanjing Rail Transit System Engineering Co., Ltd.

Jia Haowen, female, born in 1980, bachelor's degree in management, senior human resource manager. She entered the workforce in 2002, and formerly served as Administration and Sales Staff of Shanghai Xinhaoshi Real Estate Co., Ltd.; Secretary to the President's Office, Director of Human Resources Department, Director of Comprehensive Management Department, Party Branch Secretary of Comprehensive Management Department, Director of Multimedia Application Industry Division, and Assistant to the General Manager of the Company. She is currently Director, General Manager and Deputy Party Secretary of Nanjing Putian Telecommunications Co., Ltd., and concurrently Chairman of Nanjing Southern Telecom Co., Ltd.

Shen Kejian, male, born in 1978, bachelor's degree, senior engineer. He entered the workforce in 2002, and is currently Deputy Director of the Science and Technology Department of CETC Glarun Group Co., Ltd., Deputy Director of the Science and Technology Department of the 14<sup>th</sup> Research Institute of China Electronics Technology Group Corporation (CETC), and Director of Nanjing Putian Telecommunications Co., Ltd.

Hu Yifei, male, born in 1990, master's degree in management. He entered the workforce in 2015, and formerly served as Assistant Accountant in the Finance Department of the 14<sup>th</sup> Research Institute of CETC. He is currently Deputy Director of the Finance Department of the 14<sup>th</sup> Research Institute of CETC, and Director of Nanjing Putian Telecommunications Co., Ltd.

Wang Xingyu, male, born in 1978, master's degree in engineering, senior engineer. He entered the workforce in 2000, and formerly served as Assistant Engineer of the Materials Department and Deputy Director of the Materials Department of the 14<sup>th</sup> Research Institute of CETC. He is currently Deputy Party Branch Secretary of the Joint Party Branch of the Materials Department and Logistics Company of the 14<sup>th</sup> Research Institute of CETC, Deputy Director of the Materials Department, and Director of Nanjing Putian Telecommunications Co., Ltd.

Song Tiecheng, male, born in 1967, doctor's degree in engineering. He entered the workforce in 1992, and formerly served as Teaching Assistant, Lecturer and Associate Professor at Southeast University. Current professor at Southeast University, independent director of Hansang (Nanjing) Technology Co., Ltd., independent director of Shanghai Hanxun Information Technology Co., Ltd., and independent director of Nanjing Putian Communication Co., Ltd.

Gao Jing, female, born in 1968, bachelor's degree, senior accountant, certified public accountant. She entered the workforce in 1989, Formerly served as the accountant and deputy director of China Aviation Industry Jincheng Group Co., Ltd., deputy director of China Aviation Industry Jincheng Nanjing Electromechanical and Hydraulic Engineering Research Center, chief accountant of China Aviation Industry Electromechanical Systems Co., Ltd., chief risk control officer of Shenzhen Guangqi Cutting edge Equipment Technology Co., Ltd., CFO of Guangqi Technology Co., Ltd., director of risk control department and secretary of the board of directors of Shenzhen Haimuxing Laser Intelligent Equipment Co., Ltd., vice president of Haimuxing Laser Technology Group Co., Ltd., director of Changzhou Haimuxing Jinyu New Energy Technology Co., Ltd., and Independent Director of Nanjing Putian Telecommunications Co., Ltd.

Huang Linkui, male, born in 1980, bachelor's degree. He entered the workforce in 2003, and formerly served as Partner of Jiangsu Tonganning Law Firm. He is currently Partner of Grandall Law Firm (Nanjing) and Independent Director of Nanjing Putian Telecommunications Co., Ltd.

#### Senior Management:

Jia Haowen, female, born in 1980, bachelor's degree in management, senior human resource manager. She entered the workforce in 2002, and formerly served as Administration and Sales Staff of Shanghai Xinhaoshi Real Estate Co., Ltd.; Secretary to the President's Office, Director of Human Resources Department, Director of

Comprehensive Management Department, Party Branch Secretary of Comprehensive Management Department, Director of Multimedia Application Industry Division, and Assistant to the General Manager of the Company. She is currently Director, General Manager and Deputy Party Secretary of Nanjing Putian Telecommunications Co., Ltd., and concurrently Chairman of Nanjing Southern Telecom Co., Ltd.

Zhang Jie, male, born in 1987, master's degree in accounting. He entered the workforce in 2009, and formerly worked at Huai'an Medison Chemical Co., Ltd., Jiangsu Huasu Coating Technology Co., Ltd., and Nanjing Huxin Hutu Technology Co., Ltd. He is Chief Financial Officer of Nanjing Putian Telecommunications Co., Ltd.

Li Jing, female, born in 1975, master's degree in management, senior economist. She entered the workforce in 1996, and formerly served as Secretary and Customs Declarant of Nanjing Mennekes Electric Co., Ltd., Purchaser and Labor Administrator of Nanjing Putian Computer Industry Co., Ltd. She also formerly served as Investment Administrator, Assistant and Deputy Director of the Enterprise Development Department, Deputy Director of the Strategic Development Department, Deputy Director of the Comprehensive Management Department, Deputy Director and Director of the Investment Management Department, and Director of the Strategic Investment Department of Nanjing Putian Telecommunications Co., Ltd. She is currently Deputy General Manager and Board Secretary of Nanjing Putian Telecommunications Co., Ltd., and concurrently Chairman of Nanjing Putian Datang Information Electronics Co., Ltd.

Wang Jianfeng, male, born in 1975, master's degree in engineering, professor-level senior engineer. He entered the workforce in 1998, and successively served as Deputy Director and Director of the Research Office of the 14<sup>th</sup> Research Institute of CETC, and Deputy Director of a factory. He is currently Deputy General Manager of Nanjing Putian Telecommunications Co., Ltd.

Chen Hao, male, born in April 1978, master's degree. He successively served as Engineer of the System Engineering Department of the 28<sup>th</sup> Research Institute of CETC, Deputy Director (in charge of work) of the Civil Product Industry Department, General Manager of CETC Jiaying New Smart City Technology Development Co., Ltd., General Manager of the Industrial Development Department, and Assistant to the General Manager of the Company. He is currently Deputy General Manager of Nanjing Putian Telecommunications Co., Ltd., and concurrently Chairman of Nanjing Putian Telege Building Intelligence Co., Ltd.

Circumstances where the controlling shareholder or actual controller concurrently serves as the Chairman of the Board and General Manager of the Listed Company

Applicable  Not Applicable

Employment in Shareholder Entities

Applicable  Not Applicable

Name of the Incumbent	Name of the Shareholder Entity	Position Held in the Shareholder Entity	Commencement Date of Term	Expiration Date of Term	Whether Remuneration and Allowances are Received from the Shareholder Entity
Shen Xiaobing	CETC Guorui Group Co., Ltd.	Deputy General Manager	January 10, 2022		Yes
Shen Kejian	CETC Glarun Group Co., Ltd.	Deputy Director of the Science and Technology Department	February 13, 2024		No
Hu Yifei	CETC Glarun Group Co., Ltd.	Deputy Director of the Finance Department	February 17, 2023		No

Employment in Other Entities

Applicable  Not Applicable

Name of the Incumbent	Name of the Other Entity	Position Held in the Other Entity	Commencement Date of Term	Expiration Date of Term	Whether Remuneration and Allowances are Received from the Other Entity
Shen Xiaobing	Nanjing Lopu Technology Co., Ltd.	Chairman of the Board	February 10, 2022		No
Shen Xiaobing	Nanjing Lopu Co., Ltd.	Chairman of the Board	February 10, 2022		No
Shen Xiaobing	Nanjing Rail Transit System Engineering Co., Ltd.	Chairman of the Board	April 19, 2024		No
Shen Kejian	The 14 <sup>th</sup> Research Institute of CETC	Deputy Director of the Science and Technology Department	February 13, 2024		Yes
Hu Yifei	CETC Glarun Group Co., Ltd.	Deputy Director of the Finance Department	February 17, 2023		Yes
Wang Xingyu	The 14 <sup>th</sup> Research Institute of CETC	Deputy Director of the Materials Department	November 2, 2020		Yes
Wang Xingyu	Materials Department and Logistics Company of the 14 <sup>th</sup> Research Institute of CETC	Deputy Party Branch Secretary of Joint Party Branch	January 5, 2022		No
Song Tiecheng	Southeast University	Professor	April 8, 2005		Yes
Song Tiecheng	Hansong (Nanjing) Technology Co., Ltd.	Independent Director	May 20, 2025		Yes
Song Tiecheng	Jushri Technologies, Inc.	Independent Director	December 26, 2022		Yes
Gao Jing	Hymson Laser Technology Group Co., Ltd.	Vice President	January 29, 2024	January 1, 2026	Yes
Gao Jing	Changzhou Hymson Jinyu New Energy Technology Co., Ltd.	Director	May 6, 2019	January 1, 2026	Yes
Huang Linkui	Grandall Law Firm (Nanjing)	Partner	May 9, 2022		Yes

Penalties Imposed by Securities Regulatory Authorities on the Company's Incumbent Directors and Senior Management, and Those Who Left Their Positions During the Reporting Period in the Past Three Years

Applicable  Not Applicable

### 3. Remuneration of Directors and Senior Management

Decision-making Procedures, Determination Basis and Actual Payment of Remuneration for Directors and Senior Management

The company did not pay salaries to directors who did not concurrently hold senior management positions; directors who hold administrative positions in the Company receive remuneration based on their administrative positions. Independent directors receive independent director allowances from the Company, the standard of which is determined by the General Meeting of Shareholders. The remuneration standards and assessment methods for senior management are determined by the Board of Directors.

The Company's senior management are subject to a performance-based annual salary system, and their remuneration is assessed and paid based on the completion of the Company's production and operation indicators and the work undertaken by the senior management.

Remuneration of Directors and Senior Management of the Company during the Reporting Period

Unit: RMB ×10<sup>4</sup> Yuan

Name	Gender	Age	Position	Employment Status	Total Pre-tax Remuneration Received from the Company	Whether Remuneration is Received from the Company's Related Parties
Shen Xiaobing	Male	47	Chairman of the Board	Incumbent	0	Yes
Jia Haowen	Female	45	Director and General Manager	Incumbent	74.16	No
Shen Kejian	Male	47	Director	Incumbent	0	Yes
Hu Yifei	Male	35	Director	Incumbent	0	Yes
Wang Xingyu	Male	47	Director	Incumbent	0	Yes
Song Tiecheng	Male	58	Independent Director	Incumbent	9	No
Gao Jing	Female	57	Independent Director	Incumbent	9	No
Huang Linkui	Male	45	Independent Director	Incumbent	9	No
Zhang Jie	Male	39	Chief Financial Officer	Incumbent	21.54	No
Li Jing	Female	50	Deputy General Manager and Board Secretary	Incumbent	52.41	No
Wang Jianfeng	Male	50	Deputy General Manager	Incumbent	30.54	No
Chen Hao	Male	47	Deputy General Manager	Incumbent	24.02	No
Jiang Yi	Male	45	Director and General Manager	Appointed and Removed	29.28	No
Shi Jiandong	Male	55	Director	Appointed and Removed	0	Yes
Liao Rongchao	Male	51	Deputy General Manager and Chief Accountant	Appointed and Removed	21.13	No

Fu Guokai	Male	35	Chief Legal Counsel	Appointed and Removed	48.07	No
Total	--	--	--	--	328.15	--

Note: The current directors and executives' compensation during the reporting period is the total compensation received during their tenure in that position; The disclosed compensation amount for executives who resigned during the reporting period is the total compensation received during their tenure as executives during the reporting period.

Assessment Basis for the Actual Remuneration Received by All Directors and Senior Management at the End of the Reporting Period	Based on the financial budget indicators approved by the board of directors, formulate the company's "2025 Business Target Responsibility Agreement" and conduct assessments.
Completion of Assessment of the Actual Remuneration Received by All Directors and Senior Management at the End of the Reporting Period	The assessment is currently underway based on the actual business situation after the audit.
Deferred Payment Arrangements for the Actual Remuneration Received by All Directors and Senior Management at the End of the Reporting Period	None
Suspension of Payment and Recourse in Respect of the Actual Remuneration Received by All Directors and Senior Management at the End of the Reporting Period	None

Explanation of Other Circumstances

Applicable  Not Applicable

In 2025, the total pre tax compensation received by the company's directors and executives from the company was 3.2815 million yuan, of which the total pre tax compensation for the reporting period was 2.7337 million yuan, a decrease from the same period last year; The total incentive for the term from 2022 to 2024 is 547800 yuan, including 147500 yuan for Jia Haowen, 100300 yuan for Lijing, 99800 yuan for Jiang Yi, 106300 yuan for Liao Rongchao, and 93900 yuan for Fu Guokai.

## V. Performance of Duties by Directors during the Reporting Period

### 1. Attendance of Directors at Board of Directors and Shareholders' General Meetings

Attendance of Directors at Board of Directors and Shareholders' General Meetings							
Name of Director	Number of Board Meetings Required to Attend during the Reporting Period	Number of Board Meetings Attended in Person	Number of Board Meetings Attended via Communication	Number of Board Meetings Attended by Proxy	Number of Board Meetings Absent from	Whether Failed to Attend Two Consecutive Board Meetings in Person	Number of Shareholders' General Meetings Attended
Shen Xiaobing	15	1	14	0	0	No	1
Jia Haowen	10	0	10	0	0	No	4
Shen Kejian	15	1	14	0	0	No	0
Hu Yifei	2	0	2	0	0	No	0
Wang Xingyu	15	1	14	0	0	No	0

Song Tiecheng	15	1	14	0	0	No	0
Gao Jing	15	1	14	0	0	No	0
Huang Linkui	15	1	14	0	0	No	0
Jiang Yi	5	1	4	0	0	No	0
Shi Jiandong	13	1	12	0	0	否	1

Explanation on Failure to Attend Two Consecutive Board Meetings in Person

## 2. Objections Raised by Directors on Company Matters

Whether Directors Raised Objections on Company Matters

Yes  No

No director raised any objection on company matters during the reporting period.

## 3. Other Explanations on the Performance of Duties by Directors

Whether Relevant Proposals Made by Directors Have Been Adopted

Yes  No

Explanation on the Adoption or Non-adoption of Relevant Proposals Made by Directors

During the reporting period, all directors of the Company performed their duties in strict accordance with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Stock Listing Rules of the Shenzhen Stock Exchange*, *Guidelines for the Standardized Operation of Listed Companies of the Shenzhen Stock Exchange*, other applicable laws and regulations, and the *Articles of Association of the Company*. All directors attended board meetings on schedule, conducted in-depth research on all proposals submitted to the board of directors in light of the actual operation of the Company, made prudent decisions, supervised and promoted the implementation of resolutions of the board of directors, and safeguarded the legitimate rights and interests of the Company and all shareholders.

## VI. Performance of the Special Committees under the Board of Directors during the Reporting Period

Name of the Committee	Membership	Number of Meetings Held	Date of Meeting	Content of the Meeting	Key Opinions and Recommendations Put Forward	Other Performance of Duties	Details of Objections (if any)
The 8 <sup>th</sup> Session of the Board Audit and Risk Control Committee	Gao Jing, Shi Jiandong, Wang Xingyu, Song Tiecheng, Huang Linkui	7	February 28, 2025	1. Proposal on the Appointment of the Company's Chief Financial Officer; 2. Risk Assessment Report on the Capital	Reviewed and approved: 1. Proposal on the Appointment of the Company's Chief Financial Officer; 2. Risk		

				Increase Project of Nanjing Southern Telecom Co., Ltd.	Assessment Report on the Capital Increase Project of Nanjing Southern Telecom Co., Ltd.		
			April 21, 2025	1. Annual Report 2024 and Annual Report Abstract of the Company; 2. 2024 Internal Control Evaluation Report of the Company	Reviewed and approved: 1. Annual Report 2024 and Annual Report Abstract of the Company; 2. 2024 Internal Control Evaluation Report of the Company		
			April 27, 2025	2025 First Quarter Report of the Company	Reviewed and approved: 2025 First Quarter Report of the Company		
			July 31, 2025	2025 Semi-annual Report and Semi-annual Report Abstract of the Company	Reviewed and approved: 2025 Semi-annual Report and Semi-annual Report Abstract of the Company		
			August 22, 2025	Proposal on the Change of Accounting Firm	Reviewed and approved: Proposal on the Change of Accounting Firm		
			September 26, 2025	Proposal on the Write-off of Some Long-term Outstanding Payables and Receivables	Reviewed and approved: Proposal on the Write-off of Some Long-term Outstanding Payables and		

					Receivables		
			October 24, 2025	2025 Third Quarter Report of the Company	Reviewed and approved: 2025 Third Quarter Report of the Company		
The 9 <sup>th</sup> Session of the Board Audit and Risk Control Committee	Gao Jing, Hu Yifei, Wang Xingyu, Song Tiecheng, Huang Linkui	1	November 18, 2025	Proposal on the Appointment of the Company's Chief Financial Officer	Reviewed and approved: Proposal on the Appointment of the Company's Chief Financial Officer		
The 8 <sup>th</sup> Session of the Board Nomination Committee	Song Tiecheng, Shen Xiaobing, Jia Haowen, Gao Jing, Huang Linkui	4	February 28, 2025	1. Proposal on the Appointment of the Company's Deputy General Manager; 2. Proposal on the Appointment of the Company's Chief Financial Officer.	Reviewed and approved: 1. Proposal on the Appointment of the Company's Deputy General Manager; 2. Proposal on the Appointment of the Company's Chief Financial Officer.		
			April 9, 2025	1. Proposal on Nominating Ms. Jia Haowen as a Candidate for Director of the Company; 2. Proposal on the Change of the Company's General Manager.	Reviewed and approved: 1. Proposal on Nominating Ms. Jia Haowen as a Candidate for Director of the Company; 2. Proposal on the Change of the Company's General Manager.		
			May 26, 2025	Proposal on the Appointment	Reviewed and approved:		

				of the Company's Deputy General Manager	Proposal on the Appointment of the Company's Deputy General Manager		
			October 15, 2025	1. Proposal on the General Election of the Board of Directors and the Nomination of Candidates for Non-independent Directors; 2. Proposal on the General Election of the Board of Directors and the Nomination of Candidates for Independent Directors.	Reviewed and approved: 1. Proposal on the General Election of the Board of Directors and the Nomination of Candidates for Non-independent Directors; 2. Proposal on the General Election of the Board of Directors and the Nomination of Candidates for Independent Directors.		
The 9 <sup>th</sup> Session of the Board Nomination Committee	Song Tiecheng, Shen Kejian, Wang Xingyu, Gao Jing, Huang Linkui	1	November 18, 2025	1. Proposal on the Appointment of the Company's General Manager; 2. Proposal on the Appointment of the Company's Deputy General Manager; 3. Proposal on the Appointment of the Company's Chief Financial Officer; 4.	Reviewed and approved: 1. Proposal on the Appointment of the Company's General Manager; 2. Proposal on the Appointment of the Company's Deputy General Manager; 3. Proposal on the Appointment of the Company's		

				Proposal on the Appointment of the Company's Board Secretary.	Chief Financial Officer; 4. Proposal on the Appointment of the Company's Board Secretary.		
The 9th Board of Directors Compensation and Assessment Committee Meeting	Song Tiecheng, Jia Haowen, Shen Kejian, Gao Jing, Huang Linkui	1	December 31, 2025	Listen to the company's professional report on salary assessment management.	Suggestion: Conduct assessments on relevant personnel based on the financial budget indicators and annual business target responsibility letter approved by the board of directors.		
The 8th Board Strategy and Investment Committee Meeting	Shen Xiaobing, Jia Haowen, Shen Kejian, Shi Jiandong, Gao Jing, Song Tiecheng, Huang Linkui	1	October 13, 2025	Listen to the company's special report on the liquidation and cancellation of Nanjing Puzhu Optical Network Co., Ltd.	Suggestion: According to the relevant requirements of state-owned assets, prevent and dispose of risks.		
The 9th Board Strategy and Investment Committee Meeting	Shen Xiaobing, Jia Haowen, Shen Kejian, Hu Yifei, Wang Xingyu, Gao Jing, Song Tiecheng, Huang Linkui	1	December 8, 2025	1. Listen to the company's report on the 15th Five Year Development Plan; 2. Listen to the company's report on the expropriation of some houses.	Suggestion: 1. The company should focus on leading industries, empower technology, enhance core competitive advantages, consider the second curve layout, and achieve high-quality development. 2. According to the		

					relevant requirements of state-owned assets, standardize the disposal and prevention of risks.		
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## VII. Work of the Audit Committee

Whether the Audit Committee Identified Any Risks of the Company in Its Supervision Activities during the Reporting Period

Yes  No

The Audit Committee has no objection to the supervision matters during the reporting period.

## VIII. Employee Information of the Company

### 1. Number, Professional Composition and Educational Background of Employees

Number of On-the-job Employees of the Parent Company at the End of the Reporting Period (person)	100
Number of On-the-job Employees of Major Subsidiaries at the End of the Reporting Period (person)	516
Total Number of On-the-job Employees at the End of the Reporting Period (person)	616
Total Number of Employees Receiving Remuneration in the Current Period (person)	733
Number of Retired Employees Whose Expenses Shall Be Borne by the Parent Company and Major Subsidiaries (person)	309
<b>Professional Composition</b>	
Category of Professional Composition	Number of Employees (person)
Production Personnel	106
Sales Personnel	166
Technical Personnel	271
Financial Personnel	18
Administrative Personnel	55
Total	616
<b>Educational Background</b>	
Category of Educational Background	Number (person)
Postgraduate and Above	10
Bachelor's Degree	304
Junior College	199
High School and Below	103
Total	616

## 2. Remuneration Policy

The company strictly implements national, provincial and municipal laws and regulations, adheres to the concept of people-oriented and talent priority, and continuously promotes the optimization and construction of the salary management system in combination with industry development and enterprise operation. In order to fully mobilize the enthusiasm, initiative, and creativity of employees, the company implements an efficiency oriented and performance-based salary distribution mechanism. In addition to the five insurances and one fund, the company also provides employees with commercial insurance, enterprise annuities, and other compensation and benefits.

## 3. Training Plan

In accordance with the Company's development plan, the Company adheres to the principle of the Party managing talent, bases itself on the new development stage, implements the new development philosophy, focuses on the talent work deployment in the new era, prioritizes the development of employees' capabilities, highlights the three key links of training and education, on-the-job cultivation and practical exercise, improves the training system, and enhances the quality of the talent team. The Company focuses on the cultivation of innovative and interdisciplinary talents, strengthens tiered and classified training, and builds up talent reserves for the implementation of the Company's innovation and transformation.

## 4. Labor Outsourcing

Applicable  Not Applicable

## IX. Profit Distribution and Capitalization of Capital Surplus into Share Capital of the Company

Formulation, Implementation and Adjustment of Profit Distribution Policies, Especially Cash Dividend Policies, during the Reporting Period

Applicable  Not Applicable

The Company was profitable during the reporting period and the parent company's distributable profits to shareholders were positive, but no cash dividend distribution proposal was put forward

Applicable  Not Applicable

Profit Distribution and Capitalization of Capital Surplus into Share Capital during the Reporting Period

Applicable  Not Applicable

The Company has no plan to distribute cash dividends, issue bonus shares, or capitalize capital surplus into share capital for the year.

## X. Implementation of the Company's Equity Incentive Plan, Employee Stock Ownership Plan and Other Employee Incentive Measures

Applicable  Not Applicable

The Company has no equity incentive plan, employee stock ownership plan, other employee incentive measures or relevant implementation activities during the reporting period.

## **XI. Establishment and Implementation of the Internal Control System during the Reporting Period**

### **1. Establishment and Implementation of Internal Control**

In 2025, the Company continued to sort out and improve the systems of the internal control system, and steadily advanced the development and improvement of the Company's internal control system, to ensure the legality and compliance of the Company's operation and management and the orderly progress of all work. A total of 39 systems were newly added or revised throughout the year, including 4 high-level systems, 5 mid-level systems and 30 low-level systems. In terms of strengthening the Party's leadership, 1 system namely the *Working Rules of the Committee of the Communist Party of China for Nanjing Putian Telecommunications Co., Ltd.* was revised. In terms of corporate governance, reform and restructuring, 20 systems including the *Articles of Association of the Company*, *Rules of Procedure for Shareholders' General Meetings* and *Rules of Procedure for the Board of Directors* were revised. In terms of Party building and mass organizations work, 1 system namely the *Administrative Procedures for Publicity Work* was revised. In terms of organizational personnel and performance management, 3 systems including the *Administrative Procedures for Key Post Personnel*, *Interim Administrative Procedures for Remuneration of the Operation Teams of Business Entities* and *Relevant Provisions on the Use of the Company's Training Expenses* were revised. In terms of financial management, 4 systems including the *Administrative Procedures for Connected Transactions*, *Administrative Procedures for Bills*, *Administrative Procedures for Fund Planning* and *Administrative Procedures for Accounting Reimbursement* were newly added or revised. In terms of discipline inspection, audit and risk management, 3 systems including the *Administrative Procedures for Annual Audit Plans*, *Administrative Procedures for Audit Project Operations* and *Administrative Measures for Internal Audit* were newly added or revised. In terms of legal and compliance management, 1 system namely the *Administrative Procedures for Compliance Management* was revised. In terms of quality management and standardization, 1 system namely the *Basic System for Quality Management* was revised. In terms of capacity building and asset management, 1 system namely the *Administrative Procedures for Capital Construction Projects* was revised. In terms of work safety, 1 system namely the *Basic System for Environmental and Occupational Health and Safety Management* was newly added. In terms of comprehensive management, 3 systems including the *Administrative Procedures for the Performance Benefits and Business Expenses of Enterprise Principals*, *Administrative Procedures for the Management of Official Vehicles and Expense Reimbursement* and *Administrative Procedures for Seal Management* were revised. Through the revision and improvement of the above systems, the Company has further enhanced the compliance management in key areas including human resources, financial investment, legal affairs, audit, informatization, marketing, technology and quality, so as to ensure the orderly progress of all work of the Company.

The Company revised and improved its *Internal Control Management Manual*, and coordinated the preparation of *Internal Control Management Manuals* by its 3 holding subsidiaries. Taking into account the Company's characteristics and business management model, with the overall goal of "strengthen internal control, prevent risks and promote compliance", guided by risk management and focused on compliance management and supervision, the Company has fully covered and strictly standardized all business activities, further standardized the relevant internal business processes, decomposed and implemented responsibilities, managed and controlled corporate risks, and reasonably ensured the legality and compliance of operations.

The General Management Department is the department responsible for the establishment of the internal control system, which is tasked with improving the basic systems for internal control management and

establishing a sound internal control management system and mechanism. The Audit, Discipline Inspection and Risk Control Department is the internal control evaluation department, which supervises and evaluates various business activities of the enterprise and implements internal control responsibilities.

The Company combines regular self-inspection by each business entity with irregular special supervision and inspection by relevant functional departments to strengthen the supervision and control of key business processes and steps including illegal trade, authorization management, and contract approval, signing and performance. Based on the inspection results, the Company evaluates the effectiveness of the current internal control management, and carries out continuous improvement, to effectively prevent and resolve the Company's operational risks.

According to the requirements of the company's internal control standard system and relevant regulations, a sound internal control system has been established in all major aspects, and relevant control measures have been effectively implemented, achieving the goals of internal control. No significant deficiencies in internal control of financial and non-financial reporting have been found. With the needs of operation and business development, the company will continue to improve the construction of internal control system, strengthen the implementation of internal control system, and promote the sustained, stable and high-quality development of the company.

## 2. Details of Significant Weaknesses in Internal Control Identified during the Reporting Period

Yes  No

## XII. Management and Control of Subsidiaries by the Company during the Reporting Period

Name of the Company	Integration Plan	Integration Progress	Problems Encountered in Integration	Measures Taken	Progress of Resolution	Subsequent Resolution Plan
None	N/A	N/A	N/A	N/A	N/A	N/A

Abnormalities in the Management and Control of Subsidiaries

Yes  No

## XIII. Internal Control Evaluation Report or Internal Control Audit Report

### 1. Internal Control Evaluation Report

Full text disclosure date of the Internal Control Evaluation Report	April 23, 2026	
Full text disclosure index of the Internal Control Evaluation Report	2025 Internal Control Evaluation Report of Nanjing Putian Telecommunications Co., Ltd. published on cninfo.com.cn ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )	
Proportion of total assets of entities included in the evaluation scope to the total assets in the company's consolidated financial statements	100.00%	
Proportion of operating revenue of entities included in the evaluation scope to the operating revenue in the company's consolidated financial statements	100.00%	
Criteria for Defect Identification		
Category	Financial Reporting	Non-Financial Reporting

<p>Qualitative Criteria</p>	<p>Any of the following circumstances (including but not limited to) shall generally be deemed a significant weakness in internal control over financial reporting: (1) Abuse of power by senior management resulting in the occurrence of material fraud; (2) Correction of previously submitted or disclosed financial reports due to the discovery of material accounting errors in prior years; (3) Discovery of material misstatements in the financial statements of the current period that were not detected by the internal control during its operation; (4) Ineffective supervision of internal control by the internal audit institution; (5) Material or significant deficiencies that have been identified and reported to the management have not been rectified within a reasonable time frame.</p>	<p>Regulatory Compliance: Slight violation that has been rectified is deemed a minor deficiency; violation resulting in penalties is deemed a significant deficiency; serious violation resulting in heavy penalties or the assumption of criminal liability is deemed a significant weakness. Operation: Temporary production suspension that can be resumed within half a day is deemed a minor deficiency; production suspension within 2 days is deemed a major deficiency; production suspension for 3 days or more is deemed a significant weakness. Reputation: Negative information circulating within the company without material adverse impact on the company's external reputation is deemed a minor deficiency; negative information circulating in a certain region causing material damage to the company's reputation is deemed a major deficiency; negative information circulating nationwide causing severe damage to the company's reputation is deemed a significant weakness. Safety: Temporary impact on the health of employees or the public with short-term recoverability is deemed a minor deficiency; death of one employee or member of the public, or long-term recovery required for health impacts on employees or the public is deemed a major deficiency; death of multiple employees or members of the public, or irreversible health damage to employees or the public is deemed a significant weakness. Environment: Environmental pollution and damage within a controllable scope without permanent environmental impact is deemed a minor deficiency; severe pollution to the surrounding environment requiring high restoration costs is deemed a major deficiency; permanent pollution or irreparable damage to the surrounding environment is deemed a significant weakness. Any of the following circumstances (including but not limited to) shall generally be deemed a significant weakness in non-financial reporting internal control: (1) Serious violation of national laws, administrative regulations and normative documents resulting in adverse impacts; (2) "Three Major and One Big" matters (referring to major decision-making, major events, important personnel appointment and</p>
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		<p>removal, and large fund payment) have not gone through the collective decision-making process; (3) Severe turnover of management and technical personnel in key positions; (4) Lack of systematic control or failure of the system for key businesses involving the company's production and operation; (5) Failure to timely rectify major weaknesses or significant deficiencies in internal control.</p>
<p>Quantitative Criteria</p>	<p>Potential misstatement in the total profit of financial reporting: misstatement less than 2% of the total profit or RMB 500,000 is deemed a minor deficiency; misstatement no less than 2% of the total profit or RMB 500,000 and less than 3% of the total profit or RMB 3,000,000 is deemed a major deficiency; misstatement no less than 3% of the total profit or RMB 3,000,000 is deemed a significant weakness. Potential misstatement in the total assets of financial reporting: misstatement less than 1% of the total assets or RMB 2,000,000 is deemed a minor deficiency; misstatement no less than 1% of the total assets or RMB 2,000,000 and less than 2% of the total assets or RMB 10,000,000 is deemed a major deficiency; misstatement no less than 2% of the total assets or RMB 10,000,000 is deemed a significant weakness. Potential misstatement in the total operating income of financial reporting: misstatement less than 0.5% of the total operating income or RMB 2,000,000 is deemed a minor deficiency; misstatement no less than 0.5% of the total operating income or RMB 2,000,000 and less than 1% of the total operating income or RMB 10,000,000 is deemed a major deficiency; misstatement no less than 1% of the total operating income or RMB 10,000,000 is deemed a significant weakness. Potential misstatement in the total owners' equity of financial reporting: misstatement less than 0.5% of the total owners' equity or RMB 1,000,000 is deemed a minor deficiency; misstatement no less than 0.5% of the total owners' equity or RMB 1,000,000 and less than 1% of the total owners' equity or RMB 5,000,000 is deemed a major deficiency; misstatement no less than 1% of the total owners' equity or RMB 5,000,000 is deemed a significant weakness.</p>	<p>Potential asset or fund loss: loss less than RMB 100,000 is deemed a minor deficiency; loss no less than RMB 100,000 and less than RMB 1,000,000 is deemed a major deficiency; loss no less than RMB 1,000,000 is deemed a significant weakness.</p>

Number of significant weaknesses in financial reporting	0
Number of significant weaknesses in non-financial reporting	0
Number of major deficiencies in financial reporting	0
Number of major deficiencies in non-financial reporting	0

## 2. Internal Control Audit Report

Applicable  Not Applicable

Opinion Paragraph in the Internal Control Audit Report	
According to our audit, Nanjing Putian has maintained effective internal control over financial reporting in all significant respects in accordance with the <i>Basic Standard for Enterprise Internal Control</i> and relevant provisions.	
Disclosure status of the internal control audit report	Disclosed
Full text disclosure date of the Internal Control Audit Report	April 23, 2026
Full text disclosure index of the Internal Control Audit Report	<i>Internal Control Audit Report of Nanjing Putian Telecommunications Co., Ltd.</i> published on cninfo.com.cn ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
Types of Audit Opinions for Internal Control Audit Report	Standard Unqualified Opinion
Whether there are significant weaknesses in non-financial reporting	No

Whether the accounting firm issued an internal control audit report with modified opinions

Yes  No

Whether the opinions in the internal control audit report issued by the accounting firm are consistent with the board of directors' self-evaluation report

Yes  No

Whether a modified audit opinion on internal control was issued during the reporting period or the prior year

Yes  No

## XIV. Rectification of Self-inspection Issues in the Special Campaign for Corporate Governance of Listed Companies

The self-inspection issues identified by the company in the "Special Campaign for Corporate Governance of Listed Companies" in April 2021 were fully rectified in October 2022.

## XV. Environmental Information Disclosure

Whether the listed company and its major subsidiaries are included in the list of enterprises subject to mandatory environmental information disclosure

Yes  No

## **XVI. Social Responsibility**

For details, please refer to the *2025 Environmental, Social and Governance (ESG) Report* disclosed by the company on the same date.

## **XVII. Efforts in Consolidating and Expanding the Achievements in Poverty Alleviation and Rural Revitalization**

The company cares for vulnerable groups, provides assistance and regular consolation to employees in financial difficulties, and strives to handle practical matters, deliver tangible benefits and solve difficulties for them. Ensuring that employees in need truly feel the care and warmth from the labor union and the company has been a fundamental work upheld by the company for many years.

## Section V Important Matters

### I. Performance of Commitments

#### 1. Commitments that have been fully performed by the relevant parties including the company's actual controller, shareholders, related parties, offeror and the company during the reporting period, and commitments that have not been fully performed as of the end of the reporting period

Applicable  Not Applicable

Subject of Commitment	Promisor	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Performance Status
Commitments made in the Acquisition Report or Equity Change Report	China Electronics Technology Group Corporation (CETC)	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 1" in "2. Specific Contents of Commitments"	August 31, 2021	Long-term	Being performed normally
	China Electronics Technology Group Corporation (CETC)	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 2"	August 31, 2021	Long-term	Being performed normally
	China Electronics Technology Group Corporation (CETC)	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 3"	August 31, 2021	Long-term	Being performed normally
	CETC Glarun Group Co., Ltd.	Commitment on Maintaining the Independence of Nanjing Putian Telecommunications Co., Ltd.	See "Undertaking 4"	October 12, 2022	Long-term	Being performed normally
	CETC Glarun Group Co., Ltd.	Commitment on Avoiding Horizontal Competition with Nanjing Putian Telecommunications Co., Ltd.	See "Undertaking 5"	October 12, 2022	Long-term	Being performed normally
	CETC Glarun Group Co., Ltd.	Commitment on Regulating and Reducing Related Party Transactions	See "Undertaking 6"	October 12, 2022	Long-term	Being performed normally

Commitments made in the Asset Restructuring	Xu Qian; Wang Wenkui; Li Tong; Liu Yun; Wang Jinfeng; Qin Zhen; Tang Fuxin; Xie Manlin; Du Xiaorong; Jia Haowen; Lei Xu; Liu Xiaodong; Wang Huailin; Li Jing	Other Commitments	See "Undertaking 7"	November 25, 2020	Long-term	Jia Haowen and Li Jing are performing the undertaking normally; Xu Qian, Wang Wenkui, Li Tong, Liu Yun, Wang Jinfeng, Qin Zhen, Tang Fuxin, Xie Manlin, Du Xiaorong, Lei Xu, Liu Xiaodong and Wang Huailin have fully performed the undertaking (resigned)
	China Electronics Technology Group Corporation (CETC)	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 8"	November 27, 2024	Long-term	Being performed normally
	CETC Glarun Group Co., Ltd.	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 9"	November 27, 2024	Long-term	Being performed normally
	China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.	Other Commitments	See "Undertaking 10"	November 27, 2024	Long-term	Being performed normally
	China Electronics Technology Group Corporation (CETC)	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 11"	November 27, 2024	Long-term	Being performed normally
	CETC Glarun Group Co., Ltd.	Commitments on Non-competition, Related Party Transactions and Fund Occupation	See "Undertaking 12"	November 27, 2024	Long-term	Being performed normally
	CETC Glarun Group Co., Ltd.	Other Commitments	See "Undertaking 13"	November 27, 2024	Long-term	Being performed normally

	Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai	Other Commitments	See "Undertaking 14"	November 27, 2024	Long-term	Shen Xiaobing, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen and Li Jing are performing the undertaking normally; Jiang Yi, Shi Jiandong, Liao Rongchao, Mei Lin, He Hui, Qiu Huizhen and Fu Guokai have fully performed the undertaking (resigned)
	Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai	Other Commitments	See "Undertaking 15"	November 27, 2024	Long-term	Shen Xiaobing, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen and Li Jing are performing the undertaking normally; Jiang Yi, Shi Jiandong, Liao Rongchao, Mei Lin, He Hui, Qiu Huizhen and Fu Guokai have fully performed the undertaking (resigned)
	China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.	Other Commitments	See "Undertaking 16"	November 27, 2024	Long-term	Being performed normally
	Nanjing NM Electrical Co., Ltd.	Other Commitments	See "Undertaking 17"	November 27, 2024	Long-term	Being performed normally
	Nanjing Rail Transit System Engineering Co., Ltd.	Other Commitments	See "Undertaking 18"	November 27, 2024	Long-term	Being performed normally
	Nanjing Putian Telecommunications Co., Ltd.	Other Commitments	See "Undertaking 19"	November 27, 2024	Long-term	Being performed normally
	Shen Xiaobing,	Other	See	November 27,	Long-term	Shen Xiaobing,

	Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai	Commitments	"Undertaking 20"	2024		Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen and Li Jing are performing the undertaking normally; Jiang Yi, Shi Jiandong, Liao Rongchao and Fu Guokai have fully performed the undertaking (resigned)
	China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.	Other Commitments	See "Undertaking 21"	November 27, 2024	Long-term	Being performed normally
	Nanjing Putian Telecommunications Co., Ltd.	Other Commitments	See "Undertaking 22"	November 27, 2024	Long-term	Being performed normally
	Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai	Other Commitments	See "Undertaking 23"	November 27, 2024	Long-term	Shen Xiaobing, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen and Li Jing are performing the undertaking normally; Jiang Yi, Shi Jiandong, Liao Rongchao, Mei Lin, He Hui, Qiu Huizhen and Fu Guokai have fully performed the undertaking (resigned)
	Nanjing Rail Transit System Engineering Co., Ltd.	Other Commitments	See "Undertaking 24"	November 27, 2024	Long-term	Being performed normally
	China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.	Other Commitments	See "Undertaking 25"	November 27, 2024	Long-term	Being performed normally
	Nanjing Putian	Other	See	November 27,	Long-term	Being

	Telecommunications Co., Ltd.	Commitments	"Undertaking 26"	2024		performed normally
	Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai	Other Commitments	See "Undertaking 27"	November 27, 2024	Long-term	Shen Xiaobing, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen and Li Jing are performing the undertaking normally; Jiang Yi, Shi Jiandong, Liao Rongchao, Mei Lin, He Hui, Qiu Huizhen and Fu Guokai have fully performed the undertaking (resigned)
	China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.	Other Commitments	See "Undertaking 28"	November 27, 2024	Long-term	Being performed normally
	Nanjing NM Electrical Co., Ltd.	Other Commitments	See "Undertaking 29"	November 27, 2024	Long-term	Being performed normally
	Nanjing Rail Transit System Engineering Co., Ltd.	Other Commitments	See "Undertaking 30"	November 27, 2024	Long-term	Being performed normally
	Nanjing Putian Telecommunications Co., Ltd. and Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai	Other Commitments	See "Undertaking 31"	November 27, 2024	Long-term	Nanjing Putian Telecommunications Co., Ltd., Shen Xiaobing, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen and Li Jing are performing the undertaking normally; Jiang Yi, Shi Jiandong, Liao Rongchao, Mei Lin, He Hui, Qiu Huizhen and Fu Guokai have fully performed the undertaking

						(resigned)
	Nanjing NM Electrical Co., Ltd.	Other Commitments	See "Undertaking 32"	November 27, 2024	Long-term	Being performed normally
	Nanjing Rail Transit System Engineering Co., Ltd.	Other Commitments	See "Undertaking 33"	November 27, 2024	Long-term	Being performed normally
Whether the commitments are performed on schedule	Yes					
In case the commitments are not fully performed after the expiration date, a detailed explanation of the reasons for non-performance and the follow-up work plan shall be provided	N/A					

## 2. Specific Contents of Commitments

### Undertaking 1

Promisor: China Electronics Technology Group Corporation

Content of Commitment:

Upon the research of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and submission to the State Council for approval, China Putian Information Industry Group Co., Ltd. (hereinafter referred to as "China Putian") was transferred to China Electronics Technology Group Corporation (hereinafter referred to as "the Company") as a whole through a free transfer, becoming a wholly-owned subsidiary of the Company (hereinafter referred to as "this Restructuring"). This Restructuring will result in the Company becoming the indirect controlling shareholder of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "the Listed Company"), a listed company owned by China Putian. As the offeror of the Listed Company, the Company hereby makes the following commitments to ensure the independence of the Listed Company in terms of assets, personnel, finance, business and organization:

#### 1. Personnel Independence

(1) The Company undertakes that the senior management of the Listed Company, including the general manager, deputy general managers, chief financial officer and board secretary, will not hold any administrative positions other than directors and supervisors in the Company and other enterprises and institutions controlled by the Company (hereinafter referred to as "Subordinate Enterprises and Institutions"), nor will they receive remuneration from the Company and its Subordinate Enterprises and Institutions.

(2) The financial personnel of the Listed Company will not hold concurrent positions in the Company and its Subordinate Enterprises and Institutions.

#### 2. Financial Independence

(1) The Company undertakes that the Listed Company will establish an independent financial and accounting department, have an independent financial accounting system and financial management system, and make independent financial decisions.

(2) The Company undertakes that the Listed Company will maintain independence in financial decision-making, and the Company and its Subordinate Enterprises and Institutions will not interfere with the use of funds of the Listed Company.

(3) The Company undertakes that the Listed Company will independently open bank accounts for receipt and payment settlement, and independently conduct tax filing and fulfill tax payment obligations in accordance with the law.

### 3. Organizational Independence

(1) The Company undertakes that the Listed Company and its subsidiaries will legally establish and improve the corporate governance structure and operate independently; the office institutions and production and operation premises of the Listed Company will be separated from those of the Company and its Subordinate Enterprises and Institutions.

(2) The Company undertakes that the Listed Company and its subsidiaries will operate independently, and there will be no subordinate relationship between them and the functional departments of the Company.

### 4. Asset Independence

(1) The Company undertakes that the Listed Company has independent and complete assets.

(2) The Company undertakes that the Company and its Subordinate Enterprises and Institutions will not illegally occupy the assets, funds and other resources of the Listed Company.

### 5. Business Independence

(1) The Company undertakes that the Listed Company has independent business operations and carries out business activities independently.

(2) The Company undertakes that the Listed Company independently signs contracts and conducts business with external parties, establishes an independent and complete business system, implements independent accounting in operation and management, independently assumes responsibilities and risks, and has the ability to operate independently and sustainably in the market.

This Commitment shall remain effective for the period during which the Company has control over the Listed Company. If the Company fails to perform the above commitments and causes losses to the Listed Company, the Company shall bear corresponding compensation liability.

## **Undertaking 2**

Promisor: China Electronics Technology Group Corporation

Content of Commitment:

Upon the research of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and submission to the State Council for approval, China Putian Information Industry Group Co., Ltd. (hereinafter referred to as "China Putian") was transferred to China Electronics Technology Group Corporation (hereinafter referred to as "the Company") as a whole through a free transfer, becoming a wholly-owned subsidiary of the Company (hereinafter referred to as "this Restructuring"). This Restructuring will result in the Company becoming the indirect controlling shareholder of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "the Listed Company"), a listed company owned by China Putian. As the offeror of the Listed Company, to avoid horizontal competition and protect the interests of public shareholders, the Company hereby commits as follows:

From the date of issuance of this letter, the Company will further investigate whether there is any business that constitutes horizontal competition with the Listed Company. If such business exists, the Company will strengthen internal coordination, control and management to ensure the healthy and sustainable development of the Listed Company, and will not cause any damage to the interests of the Listed Company and its public investors. If no such business exists, during the period when the Company directly or indirectly maintains substantial equity control over the Listed Company, the Company will strictly abide by the relevant rules formulated by the China Securities Regulatory Commission (CSRC) and stock exchanges, as well as the relevant provisions of the Articles of Association of the Listed Company, and will not use its controlling position over the Listed Company to engage in horizontal competition that damages the legitimate rights and interests of the Listed Company and its minority shareholders.

The above commitments shall take effect on the date of issuance of the commitment letter and shall remain effective for the period during which the Listed Company legally and validly exists and the Company acts as the actual controller of the Listed Company.

### **Undertaking 3**

Promisor: China Electronics Technology Group Corporation

Content of Commitment:

Upon the research of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and submission to the State Council for approval, China Putian Information Industry Group Co., Ltd. (hereinafter referred to as "China Putian") was transferred to China Electronics Technology Group Corporation (hereinafter referred to as "the Company") as a whole through a free transfer, becoming a wholly-owned subsidiary of the Company (hereinafter referred to as "this Restructuring"). This Restructuring will result in the Company becoming the indirect controlling shareholder of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "the Listed Company"), a listed company owned by China Putian. As the offeror of the Listed Company, to protect the legitimate rights and interests of the Listed Company and its minority shareholders, the Company hereby makes the following commitments regarding the regulation of related party transactions with the Listed Company:

1. The Company and its subordinate organizations controlled by the Company will try to avoid or reduce unnecessary related party transactions with the Listed Company and its subsidiaries. For any related business transactions that are unavoidable or occur for reasonable reasons, they will be conducted on the basis of equality and voluntariness in accordance with the principles of fairness, impartiality and openness, and the transaction prices will be reasonably determined in accordance with market-oriented principles. For related party transactions where it is difficult to compare market prices or the pricing is restricted, the standards for relevant costs and profits shall be specified in the contract, and the decision-making procedures shall be performed in accordance with relevant laws and regulations, normative documents and the *Articles of Association* of the Listed Company, so as to ensure that the legitimate rights and interests of the Listed Company and other shareholders are not damaged through related party transactions, and the information disclosure obligations shall be performed in accordance with relevant provisions at the same time.

2. Any agreements and arrangements made between the Company and its subordinate enterprises controlled by the Company and the Listed Company in respect of mutual related party affairs and transactions shall not prevent the other party from conducting business transactions with any third party under the same competitive market conditions for its own interests.

This Commitment Letter shall remain effective for the period during which the Listed Company legally and validly exists and the Company acts as the actual controller of the Listed Company. If the Company

violates the commitments under this Commitment Letter and causes losses to the Listed Company, the Company shall bear corresponding compensation liability in accordance with the law.

#### **Undertaking 4**

Promisor: CETC Glarun Group Co., Ltd.

Content of Commitment:

As the offeror of NING TONG XIN B, the Company hereby makes the following commitments to ensure the independence of the Listed Company in terms of assets, personnel, finance, business and organization after the completion of this acquisition:

##### **1. Personnel Independence**

(1) The Company undertakes that the senior management of the Listed Company, including the general manager, deputy general managers, chief financial officer and board secretary, will not hold any positions other than directors and supervisors in the Company and other enterprises and institutions controlled by the Company (hereinafter referred to as "Subordinate Enterprises and Institutions"), nor will they receive remuneration from the Company and its Subordinate Enterprises and Institutions.

(2) The Company undertakes that the financial personnel of the Listed Company will not hold concurrent positions or receive remuneration in the Company and its Subordinate Enterprises and Institutions.

(3) The Company undertakes that the Listed Company has a complete and independent labor, personnel and remuneration management system, which is completely independent of the Company and its Subordinate Enterprises and Institutions.

##### **2. Financial Independence**

(1) The Company undertakes that the Listed Company will establish an independent financial and accounting department, have an independent financial accounting system and financial management system, and make independent financial decisions.

(2) The Company undertakes that the Listed Company will maintain independence in financial decision-making, and the Company and its Subordinate Enterprises and Institutions will not interfere with the use of funds of the Listed Company.

(3) The Company undertakes that the Listed Company will independently open bank accounts for receipt and payment settlement, and independently conduct tax filing and fulfill tax payment obligations in accordance with the law.

(4) The Company undertakes that the financial personnel of the Listed Company will not hold dual positions in the Company and its Subordinate Enterprises and Institutions.

##### **3. Organizational Independence**

(1) The Company undertakes that the Listed Company and its subsidiaries will legally establish and improve the corporate governance structure, set up independent and complete organizational institutions, and operate independently; the office institutions and production and operation premises of the Listed Company will be separated from those of the Company and its Subordinate Enterprises and Institutions, without any institutional confusion.

(2) The Company undertakes that the Listed Company and its subsidiaries will operate independently, and there will be no subordinate relationship between them and the functional departments of the Company.

##### **4. Asset Independence**

(1) The Company undertakes that the Listed Company has independent and complete assets.

(2) The Company undertakes that the Company and its Subordinate Enterprises and Institutions will not illegally occupy the assets, funds and other resources of the Listed Company.

## 5. Business Independence

(1) The Company undertakes that the Listed Company has independent business operations and carries out business activities independently.

(2) The Company undertakes that the Listed Company has the assets, personnel, qualifications required for independent business operations, as well as the ability to independently sign contracts and conduct business with external parties, establish an independent and complete business system, implement independent accounting in operation and management, independently assume responsibilities and risks, and maintain independent and sustainable operation capability facing the market.

(3) If unavoidable related party transactions occur between the Company and its Subordinate Enterprises and Institutions and the Listed Company, agreements shall be signed in accordance with the law, and the necessary statutory procedures shall be performed in accordance with relevant laws and regulations and the Articles of Association of the Listed Company.

This Commitment shall remain effective for the period during which the Listed Company legally and validly exists and the Company acts as the controlling shareholder of the Listed Company. If the Company fails to perform the above commitments and causes losses to the Listed Company, the Company shall bear corresponding compensation liability.

### **Undertaking 5**

Promisor: CETC Glarun Group Co., Ltd.

Content of Commitment:

There is no identical or similar business between the main business of the Company and that of the Listed Company. Prior to this acquisition, the actual controller of the Listed Company was China Electronics Technology Group Corporation (hereinafter referred to as "CETC"). Upon completion of this acquisition, the actual controller of the Listed Company will remain CETC. This acquisition is conducted between different entities under the control of the same actual controller, which will not result in a change in the actual controller of the Listed Company, nor will there be any change in the related parties of the Listed Company. Therefore, this acquisition will not create new horizontal competition between the relevant related parties and the Listed Company.

To avoid horizontal competition and protect the interests of public shareholders, the Company hereby commits as follows:

I. As of the date of issuance of this Commitment, the Company and other enterprises controlled by the Company do not engage in or participate in any business or activities that constitute a substantial competitive relationship with the main business of the Listed Company.

II. Upon completion of this acquisition, the Company and other enterprises controlled by the Company will not, directly or indirectly, engage in any business identical to the main business of the Listed Company.

III. Upon completion of this acquisition, the Company will, through internal coordination, control and management, ensure that no substantial horizontal competition will arise between the Company and its subordinate organizations and the Listed Company in the future. If the Company and its subordinate organizations obtain business opportunities for new businesses that may result in horizontal competition with the Listed Company, the Company and its subordinate organizations will give priority to providing the Listed Company with the option to take up such business opportunities for new businesses, and will use its best efforts to ensure that such business opportunities are transferable to the Listed Company.

If the Listed Company waives the above business opportunities for new businesses, the Company and its subordinate organizations may operate the relevant new businesses on their own. However, subject to the needs

of future business development and to the extent permitted by applicable laws and regulations and relevant regulatory rules, the Listed Company shall still have the following rights:

1. The Listed Company shall have the right to acquire the assets and equity related to the above businesses from the Company and its subordinate organizations in one or more transactions;

2. In addition to acquisition, to the extent permitted by applicable laws and regulations and relevant regulatory rules, the Listed Company may also choose to operate the assets and/or businesses related to the above businesses of the Company and its subordinate organizations by means of entrusted management, lease, contracted operation, licensing and other methods.

IV. This Commitment Letter shall remain effective for the period during which the Listed Company legally and validly exists and the Company acts as the controlling shareholder of the Listed Company. From the date of issuance of this Commitment Letter, if the Company or its subordinate organizations violate the commitments under this Commitment Letter and cause losses to the Listed Company, the Company shall bear corresponding compensation liability in accordance with the law.

If the Company is truly unable to perform the commitments or needs to make adjustments due to objective reasons such as policy adjustments and market changes, the Company and the Listed Company will make explanations to the market in advance, fully disclose the reasons for the adjustment or non-performance, and propose corresponding disposal measures.

#### **Undertaking 6**

Promisor: CETC Glarun Group Co., Ltd.

Content of Commitment:

Upon completion of this acquisition, the Listed Company will continue to strictly abide by the provisions on related party transactions in the *Articles of Association* in accordance with the requirements of relevant laws and regulations and the *Listing Rules*, perform the necessary legal procedures, conduct related party transactions in accordance with legally valid agreements, give full play to the role of independent directors in practical work, follow the principles of fairness, impartiality and openness, and perform information disclosure obligations, so as to protect the interests of minority shareholders. To reduce and regulate related party transactions and protect the legitimate rights and interests of the Listed Company and its public shareholders, the Company hereby makes the following commitments regarding the regulation of related party transactions with the Listed Company:

1. The Company and its subordinate organizations controlled by the Company will try to avoid or reduce unnecessary related party transactions with the Listed Company and its subsidiaries. For any related business transactions that are unavoidable or occur for reasonable reasons, they will be conducted on the basis of equality and voluntariness in accordance with the principles of fairness, impartiality and openness, and the transaction prices will be reasonably determined in accordance with market-oriented principles. For related party transactions where it is difficult to compare market prices or the pricing is restricted, the standards for relevant costs and profits shall be specified in the contract, and the decision-making procedures shall be performed in accordance with relevant laws and regulations, normative documents and the *Articles of Association* of the Listed Company, so as to ensure that the legitimate rights and interests of the Listed Company and other shareholders are not damaged through related party transactions, and the information disclosure obligations shall be performed in accordance with relevant provisions at the same time.

2. Any agreements and arrangements made between the Company and its subordinate enterprises controlled by the Company and the Listed Company in respect of mutual related party affairs and transactions

shall not prevent the other party from conducting business transactions with any third party under the same competitive market conditions for its own interests.

This Commitment Letter shall remain effective for the period during which the Listed Company legally and validly exists and the Company acts as the controlling shareholder of the Listed Company. If the Company violates the commitments under this Commitment Letter and causes losses to the Listed Company, the Company shall bear corresponding compensation liability in accordance with the law.

If the Company is truly unable to perform the commitments or needs to make adjustments due to objective reasons such as policy adjustments and market changes, the Company and the Listed Company will make explanations to the market in advance, fully disclose the reasons for the adjustment or non-performance, and propose corresponding disposal measures.

### **Undertaking 7**

Promisor: Xu Qian; Wang Wenkui; Li Tong; Liu Yun; Wang Jinfeng; Qin Zhen; Tang Fuxin; Xie Manlin; Du Xiaorong; Jia Haowen; Lei Xu; Liu Xiaodong; Wang Huailin; Li Jing

Content of Commitment:

To ensure the effective implementation of the Company's measures to fill the diluted immediate returns, all directors and senior management of the Company make the following commitments:

(1) The declarant undertakes not to transfer interests to other entities or individuals for free or on unfair terms, nor to damage the interests of the Listed Company by other means;

(2) The declarant undertakes to regulate the declarant's own duty-related consumption conduct;

(3) The declarant undertakes not to use the assets of the Listed Company to engage in investment and consumption activities unrelated to the performance of the declarant's duties;

(4) The declarant undertakes to, within the scope of declarant's duties and authority, use declarant's best efforts to ensure that the remuneration system formulated by the board of directors or the remuneration committee is linked to the implementation of the Listed Company's measures to fill the diluted returns;

(5) If the Listed Company plans to implement equity incentive in the future, the declarant undertakes to, within the scope of the declarant's duties and authority, use the declarant's best efforts to ensure that the exercise conditions of the equity incentive planned by the Listed Company are linked to the implementation of the measures to fill the diluted returns;

(6) From the date of issuance of this Commitment to the completion of the implementation of this Transaction, if the CSRC issues other new regulatory provisions on measures to fill diluted returns and related commitments, and the above commitments cannot meet the provisions of the CSRC, the declarant undertakes to issue supplementary commitments in accordance with the latest provisions of the CSRC at that time;

(7) The declarant undertakes to effectively implement the relevant measures to fill diluted returns formulated by the Listed Company and any commitments made by the declarant in this regard. If the declarant violates such commitments and causes losses to the Listed Company or investors, the declarant shall be liable for compensation to the Listed Company or investors in accordance with the law.

### **Undertaking 8**

Promisor: China Electronics Technology Group Corporation

Content of Commitment:

1. As an investment institution authorized by the State Council, the Company exercises the contributor's rights to relevant member organizations including Nanjing Putian, and conducts state-owned equity

management to realize the preservation and appreciation of state-owned capital. The Company itself does not participate in specific businesses and has no horizontal competition with Nanjing Putian.

2. After the material asset restructuring of Nanjing Putian, other enterprises and institutions directly or indirectly controlled by the Company will not, directly or indirectly, engage in any business that constitutes horizontal competition with significant adverse impact on the main business of Nanjing Putian.

3. If the business opportunities obtained by the Company and other enterprises and institutions controlled by the Company constitute horizontal competition with significant adverse impact on the main business of Nanjing Putian, and Nanjing Putian intends to seek such business opportunities, the Company will strengthen internal coordination, control and management to avoid damage to the interests of Nanjing Putian and its public investors due to horizontal competition.

4. This Commitment Letter shall remain effective for the period during which Nanjing Putian legally and validly exists and the Company acts as the actual controller of Nanjing Putian. From the date of issuance of this Commitment Letter, if the Company violates any terms of this Commitment Letter and causes losses to Nanjing Putian, the Company shall make full compensation within a reasonable time limit after the amount of the relevant losses is determined.

#### **Undertaking 9**

Promisor: CETC Glarun Group Co., Ltd.

Content of Commitment:

1. As a secondary member organization under CETC, the Company mainly undertakes the management function of subordinate enterprises. The Company itself does not participate in specific businesses and has no horizontal competition with Nanjing Putian.

2. After the material asset restructuring of Nanjing Putian, other enterprises and institutions directly or indirectly controlled by the Company will not, directly or indirectly, engage in any business that constitutes horizontal competition with significant adverse impact on the main business of Nanjing Putian.

3. If the business opportunities obtained by the Company and other enterprises and institutions controlled by the Company constitute horizontal competition with significant adverse impact on the main business of Nanjing Putian, and Nanjing Putian intends to seek such business opportunities, the Company will strengthen internal coordination, control and management to avoid damage to the interests of Nanjing Putian and its public investors due to horizontal competition.

This Commitment Letter shall remain effective for the period during which Nanjing Putian legally and validly exists and the Company acts as the controlling shareholder of Nanjing Putian. From the date of issuance of this Commitment Letter, if the Company violates any terms of this Commitment Letter and causes losses to Nanjing Putian, the Company shall make full compensation within a reasonable time limit after the amount of the relevant losses is determined.

#### **Undertaking 10**

Promisor: China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.

Content of Commitment:

1. Prior to this Transaction, the Listed Company has always been independent of the Company and other enterprises controlled by the Company in terms of business, assets, organization, personnel and finance, and has maintained independence in the above aspects.

2. Upon completion of this Transaction, the Company and other enterprises controlled by the Company will not use its identity as the controlling shareholder/actual controller of the Listed Company to affect the

independence of the Listed Company, and will continue to take effective measures to ensure the independence of the Listed Company in terms of business, assets, organization, personnel and finance in accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China* and other relevant laws, regulations, normative documents and the requirements of the regulatory authorities for listed companies.

3. This Commitment Letter shall remain effective for the period during which the Company acts as the controlling shareholder/actual controller of the Listed Company.

### **Undertaking 11**

Promisor: China Electronics Technology Group Corporation

Content of Commitment:

1. The Company and the organizations controlled by the Company (excluding Nanjing Putian and the enterprises controlled by it, hereinafter the same) will try to avoid related party transactions with Nanjing Putian and the enterprises controlled by it (hereinafter collectively referred to as "Nanjing Putian"). For any related party transactions that are unavoidable in the future, the Company undertakes to conduct transactions with Nanjing Putian in accordance with the fair principle of market transactions (i.e. normal commercial terms).

2. If Nanjing Putian must conduct unavoidable related party transactions with the Company and the organizations controlled by the Company in its future business activities, the Company will ensure that such transactions strictly go through the approval procedures in accordance with relevant national laws and regulations and the Articles of Association of Nanjing Putian. When the board of directors or the general meeting of shareholders of Nanjing Putian votes on the related party transactions, the Company and/or its related parties and persons acting in concert will strictly perform the obligation to abstain from voting; a written agreement will be legally signed with Nanjing Putian for such transactions, and the information disclosure obligations will be performed in a timely manner; the Company undertakes that the transactions will be conducted under normal commercial conditions, and the Company and the organizations controlled by the Company will not require or accept more favorable terms from Nanjing Putian than those offered to any third party in any fair market transaction, so as to ensure that the legitimate rights and interests of Nanjing Putian and other investors are not damaged through related party transactions; the Company and the organizations controlled by the Company will not seek priority rights to conclude transactions with Nanjing Putian by using its position as the actual controller and its controlling influence.

3. The Company and the organizations controlled by the Company will strictly and in good faith perform various related party transaction agreements signed with Nanjing Putian. The Company and the organizations controlled by the Company will not seek any benefits or gains from Nanjing Putian beyond those specified in the above agreements.

4. If the Company violates the above commitments and causes losses to Nanjing Putian, the Company shall bear compensation liability in accordance with the law.

5. The above commitments shall be binding on the Company during the period when the Company acts as the actual controller of Nanjing Putian.

### **Undertaking 12**

Promisor: CETC Glarun Group Co., Ltd.

Content of Commitment:

1. The Company and the organizations controlled by the Company (excluding Nanjing Putian and the enterprises controlled by it, hereinafter the same) will try to avoid related party transactions with Nanjing Putian

and the enterprises controlled by it (hereinafter collectively referred to as "Nanjing Putian"). For any related party transactions that are unavoidable in the future, the Company undertakes to conduct transactions with Nanjing Putian in accordance with the fair principle of market transactions (i.e. normal commercial terms).

2. The Company and the organizations controlled by the Company undertake not to occupy the funds and assets of Nanjing Putian by means of loans, debt repayment on behalf of others, advance payments or other methods, nor require Nanjing Putian to provide illegal guarantees for the Company and the organizations controlled by the Company.

3. If Nanjing Putian must conduct unavoidable related party transactions with the Company and the organizations controlled by the Company in its future business activities, the Company will ensure that such transactions strictly go through the approval procedures in accordance with relevant national laws and regulations and the Articles of Association of Nanjing Putian. When the board of directors or the general meeting of shareholders of Nanjing Putian votes on the related party transactions, the Company and/or its related parties and persons acting in concert will strictly perform the obligation to abstain from voting; a written agreement will be legally signed with Nanjing Putian for such transactions, and the information disclosure obligations will be performed in a timely manner; the Company undertakes that the transactions will be conducted under normal commercial conditions, and the Company and the organizations controlled by the Company will not require or accept more favorable terms from Nanjing Putian than those offered to any third party in any fair market transaction, so as to ensure that the legitimate rights and interests of Nanjing Putian and other investors are not damaged through related party transactions; the Company and the organizations controlled by the Company will not seek priority rights to conclude transactions with Nanjing Putian by using its position as the controlling shareholder and its controlling influence.

4. The Company and the organizations controlled by the Company will strictly and in good faith perform various related party transaction agreements signed with Nanjing Putian. The Company and the organizations controlled by the Company will not seek any benefits or gains from Nanjing Putian beyond those specified in the above agreements.

5. If the Company violates the above commitments and causes losses to Nanjing Putian, the Company shall bear compensation liability in accordance with the law.

6. The above commitments shall be binding on the Company during the period when the Company acts as the controlling shareholder of Nanjing Putian.

### **Undertaking 13**

Promisor: CETC Glarun Group Co., Ltd.

Content of Commitment:

The Company undertakes that, from the date of issuance of this Commitment Letter to the completion of the implementation of this Transaction, the Company has no intention or plan to reduce its shareholding in Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "Nanjing Putian"), and will not reduce its shareholding in any manner. If the Company violates this Commitment and causes losses to Nanjing Putian or other investors as a result, the Company undertakes to bear corresponding compensation liability to Nanjing Putian or other investors in accordance with the law.

### **Undertaking 14**

Promisor: Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai

Content of Commitment:

The declarant undertakes that, from the date of issuance of this Commitment Letter to the completion of the implementation of this Transaction, the declarant has no intention or plan to reduce the declarant's shareholding in Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "Nanjing Putian"), and will not reduce the declarant's shareholding in any manner. If the declarant violates this Commitment and causes losses to Nanjing Putian or other investors as a result, the declarant undertakes to bear corresponding compensation liability to Nanjing Putian or other investors in accordance with the law.

#### **Undertaking 15**

Promisor: Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai

Content of Commitment:

As of the date of signing this Commitment Letter, the Company, its directors, supervisors, senior management and the institutions controlled by them are not subject to the circumstances specified in Article 12 of the *Guidance for Listed Companies No.7 – Supervision on Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies* (China Securities Regulatory Commission Announcement [2023] No. 39), namely: "Where a person is filed for investigation or criminal investigation for insider trading related to this material asset restructuring, he/she shall not participate in any material asset restructuring of any listed company from the date of filing until the liability is determined. Where the CSRC imposes an administrative penalty or a judicial organ imposes criminal liability in accordance with the law, the above-mentioned persons shall not participate in any material asset restructuring of any listed company for at least 36 months from the date when the administrative penalty decision made by the CSRC or the relevant effective judgment made by the judicial organ takes effect."

#### **Undertaking 16**

Promisor: China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.

Content of Commitment:

As of the date of signing this Commitment Letter, the Company, its directors, supervisors, senior management and the institutions controlled by them are not subject to the circumstances specified in Article 12 of the *Guidance for Listed Companies No.7 – Supervision on Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies* (China Securities Regulatory Commission Announcement [2023] No. 39), namely: "Where a person is filed for investigation or criminal investigation for insider trading related to this material asset restructuring, he/she shall not participate in any material asset restructuring of any listed company from the date of filing until the liability is determined. Where the CSRC imposes an administrative penalty or a judicial organ imposes criminal liability in accordance with the law, the above-mentioned persons shall not participate in any material asset restructuring of any listed company for at least 36 months from the date when the administrative penalty decision made by the CSRC or the relevant effective judgment made by the judicial organ takes effect."

#### **Undertaking 17**

Promisor: Nanjing NM Electrical Co., Ltd.

Content of Commitment:

As of the date of signing this Commitment Letter, the Company, its directors, supervisors and senior management are not subject to the circumstances specified in Article 12 of the *Guidance for Listed Companies No.7 – Supervision on Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies*

(China Securities Regulatory Commission Announcement [2023] No. 39), namely: "Where a person is filed for investigation or criminal investigation for insider trading related to this material asset restructuring, he/she shall not participate in any material asset restructuring of any listed company from the date of filing until the liability is determined. Where the CSRC imposes an administrative penalty or a judicial organ imposes criminal liability in accordance with the law, the above-mentioned persons shall not participate in any material asset restructuring of any listed company for at least 36 months from the date when the administrative penalty decision made by the CSRC or the relevant effective judgment made by the judicial organ takes effect."

### **Undertaking 18**

Promisor: Nanjing Rail Transit System Engineering Co., Ltd.

Content of Commitment:

As of the date of signing this Commitment Letter, the Company, its directors, supervisors, senior management, the institutions controlled by them and other key personnel are not subject to the circumstances specified in Article 12 of the *Guidance for Listed Companies No.7 – Supervision on Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies* (China Securities Regulatory Commission Announcement [2023] No. 39), namely: "Where a person is filed for investigation or criminal investigation for insider trading related to this material asset restructuring, he/she shall not participate in any material asset restructuring of any listed company from the date of filing until the liability is determined. Where the CSRC imposes an administrative penalty or a judicial organ imposes criminal liability in accordance with the law, the above-mentioned persons shall not participate in any material asset restructuring of any listed company for at least 36 months from the date when the administrative penalty decision made by the CSRC or the relevant effective judgment made by the judicial organ takes effect."

### **Undertaking 19**

Promisor: Nanjing Putian Telecommunications Co., Ltd.

Content of Commitment:

1. The Company intends to sell 100% of the equity interest in Nanjing NM Electrical Co., Ltd. held by it. The Company undertakes that it has complete and unencumbered rights to the underlying assets of this Transaction, which are free from other defects in rights and are not subject to any mortgage or other encumbrances.

2. The capital contributions corresponding to 100% of the equity interest in Nanjing NM Electrical Co., Ltd. held by the Company have been fully and truthfully paid, and there are no acts in violation of shareholders' obligations and liabilities such as false capital contribution, deferred capital contribution or capital flight. The 100% of the equity interest in Nanjing NM Electrical Co., Ltd. held by the Company is not subject to nominee shareholding, trust shareholding or any other shareholding on behalf of a third party, nor is there any entrustment of others to exercise voting rights.

3. There are no restrictions on the trading of the underlying assets of this Transaction.

### **Undertaking 20**

Promisor: Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai

Content of Commitment:

To ensure the effective implementation of the Company's measures to fill the diluted immediate returns, all directors and senior management of the Company make the following commitments:

1. The declarant undertakes not to transfer interests to other entities or individuals for free or on unfair terms, nor to damage the interests of the Listed Company by other means;
2. The declarant undertakes to regulate the declarant's own duty-related consumption conduct;
3. The declarant undertakes not to use the assets of the Listed Company to engage in investment and consumption activities unrelated to the performance of the declarant's duties;
4. The declarant undertakes to, within the scope of declarant's duties and authority, use declarant's best efforts to ensure that the remuneration system formulated by the board of directors or the remuneration committee is linked to the implementation of the Listed Company's measures to fill the diluted returns;
5. If the Listed Company plans to implement equity incentive in the future, the declarant undertakes to, within the scope of the declarant's duties and authority, use the declarant's best efforts to ensure that the exercise conditions of the equity incentive planned by the Listed Company are linked to the implementation of the measures to fill the diluted returns;
6. From the date of issuance of this Commitment to the completion of the implementation of this Transaction, if the CSRC issues other new regulatory provisions on measures to fill diluted returns and related commitments, and the above commitments cannot meet the provisions of the CSRC, the declarant undertakes to issue supplementary commitments in accordance with the latest provisions of the CSRC at that time;
7. The declarant undertakes to effectively implement the relevant measures to fill diluted returns formulated by the Listed Company and any commitments made by the declarant in this regard. If the declarant violates such commitments and causes losses to the Listed Company or investors, the declarant shall be liable for compensation to the Listed Company or investors in accordance with the law.

#### **Undertaking 21**

Promisor: China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.

Content of Commitment:

1. The Company will not illegally interfere with the operation and management activities of the Listed Company or encroach on the interests of the Listed Company;
2. The Company undertakes not to use the assets of the Listed Company to engage in investment and consumption activities unrelated to the performance of its duties;
3. If the Company violates the above commitments and causes losses to the Listed Company or investors, the Company undertakes to bear corresponding legal liability in accordance with the law;
4. From the date of issuance of this Commitment to the completion of this Transaction, if the China Securities Regulatory Commission (CSRC) and the Shenzhen Stock Exchange (SZSE) issue the latest regulatory provisions related to measures to fill diluted returns and relevant commitments, and the above commitments cannot meet the provisions of the CSRC and the SZSE, the Company will issue supplementary commitments in accordance with the relevant provisions of the CSRC and the SZSE at that time;
5. As one of the responsible parties for the measures to fill diluted returns, the Company undertakes to strictly perform the above commitments to ensure the effective implementation of the Listed Company's measures to fill diluted returns. If the Company violates or refuses to perform the above commitments, the Company shall bear corresponding legal liability in accordance with relevant laws, regulations, rules and normative documents.

#### **Undertaking 22**

Promisor: Nanjing Putian Telecommunications Co., Ltd.

Content of Commitment:

1. In the past three years, the Company has not engaged in any non-compliant provision of guarantees to third parties, and there has been no misappropriation of the Company's funds by its controlling shareholder, actual controller, or any other entities under their control, whether by way of loans, debt repayment on their behalf, payment advances on their behalf, or otherwise.

2. The Company warrants that it has legally performed its statutory information disclosure and reporting obligations in this Transaction, and its information disclosure and reporting activities are legal and valid, without any contracts, agreements, arrangements or other matters that should be disclosed but have not been disclosed.

3. The Company undertakes that there is no leakage of inside information related to this asset restructuring or any insider trading using the information of this Transaction.

4. There are no other circumstances that seriously damage the legitimate rights and interests of investors and the social public interests.

5. If the Company violates the above commitments and causes losses to other relevant parties to this Transaction, the Company shall bear the compensation liability.

### **Undertaking 23**

Promisor: Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai

Content of Commitment:

1. During the term of office as a director, supervisor or senior management of the Listed Company, the declarant will strictly abide by the provisions of laws, administrative regulations and the Articles of Association, perform the duties of loyalty and diligence to the Company, and will not commit any acts in violation of the relevant provisions of Article 180 and Article 181 of the *Company Law of the People's Republic of China*.

2. The declarant warrants that the declarant has legally performed the statutory information disclosure and reporting obligations in this Transaction, and the information disclosure and reporting activities are legal and valid, without any contracts, agreements, arrangements or other matters that should be disclosed but have not been disclosed.

3. The declarant undertakes that there is no leakage of inside information related to this Transaction or any insider trading using the information of this Transaction.

### **Undertaking 24**

Promisor: Nanjing Rail Transit System Engineering Co., Ltd.

Content of Commitment:

1. The Company warrants that it has legally performed its statutory information disclosure and reporting obligations in this Transaction, and its information disclosure and reporting activities are legal and valid, without any contracts, agreements, arrangements or other matters that should be disclosed but have not been disclosed.

2. The Company undertakes that there is no leakage of inside information related to this asset restructuring or any insider trading using the information of this Transaction.

3. There are no other circumstances that seriously damage the legitimate rights and interests of investors and the social public interests.

4. If the Company violates the above commitments and causes losses to other relevant parties to this Transaction, the Company shall bear the compensation liability.

### **Undertaking 25**

Promisor: China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.

Content of Commitment:

1. No damage to the interests of the Listed Company

During the period when the Company acts as the controlling shareholder/actual controller of the Listed Company, there is no circumstance that seriously damages the rights and interests of the Listed Company and has not been eliminated.

2. Performance of confidentiality obligations

The Company has performed its confidentiality obligations in respect of the information of this Transaction known to it, and there is no illegal activity such as insider trading or market manipulation using the information of this Transaction.

3. Commitment to integrity and law-abiding

The Company is not under any circumstances of being filed for criminal investigation by a judicial organ for suspected crimes or filed for investigation by the CSRC for suspected violations of laws and regulations; there is no record of administrative penalties (except those obviously unrelated to the securities market) or criminal penalties, or public condemnation by the stock exchange in the last three years; there is no act of failing to perform public commitments made to investors due to non-objective reasons; nor are there any other circumstances of violations of laws and regulations or breach of trust.

### **Undertaking 26**

Promisor: Nanjing Putian Telecommunications Co., Ltd.

Content of Commitment:

1. The Company has provided the intermediaries serving this Transaction with relevant information and documents of the Company in relation to this Transaction (including but not limited to original written materials, copy materials or oral testimony, etc.). The Company warrants that the copies or photocopies of the documents and materials provided are consistent with the originals or the original copies, and the signatures and seals on such documents and materials are authentic; the Company warrants that the information and documents provided are true, accurate and complete, without any false records, misleading statements or material omissions, and shall bear individual and joint legal liability for the authenticity, accuracy and completeness of the information provided.

2. During the participation in this Transaction, the Company will timely disclose information related to this Transaction in accordance with relevant laws and regulations, rules and the relevant provisions of the CSRC and the SZSE, and warrants that such information is true, accurate and complete, without any false records, misleading statements or material omissions.

If the information provided or disclosed by the Company for this Transaction is suspected of false records, misleading statements or material omissions, and is filed for criminal investigation by a judicial organ or filed for investigation by the CSRC, the Company is willing to bear full legal liability therefor.

### **Undertaking 27**

Promisor: Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai

Content of Commitment:

1. The declarant will timely provide Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "Nanjing Putian") with relevant information of this Transaction, and warrants that the information provided

is true, accurate and complete. If the information provided contains false records, misleading statements or material omissions, resulting in losses to Nanjing Putian or investors, the declarant shall bear compensation liability in accordance with the law.

If the information provided or disclosed for this Transaction is suspected of false records, misleading statements or material omissions, and is filed for criminal investigation by a judicial organ or filed for investigation by the CSRC, the declarant will not transfer the shares with rights and interests in Nanjing Putian before the formation of the investigation conclusion, and will submit a written application for suspension of transfer and the stock account to the board of directors of Nanjing Putian within two trading days upon receipt of the notice of filing for investigation, so that the board of directors can apply for lock-up to the stock exchange and the securities depository and clearing company on behalf of the declarant. If the declarant fails to submit the application for lock-up within two trading days, the declarant authorizes the board of directors to directly submit the identity information and account information of the declarant to the stock exchange and the securities depository and clearing company for lock-up after verification. If the board of directors fails to submit the identity information and account information of the declarant to the stock exchange and the securities depository and clearing company, the declarant authorizes the stock exchange and the securities depository and clearing company to directly lock up the relevant shares. If the investigation conclusion finds any illegal or irregular circumstances, the declarant undertakes that the locked-up shares will be voluntarily used for the relevant investor compensation arrangements.

#### **Undertaking 28**

Promisor: China Electronics Technology Group Corporation, CETC Glarun Group Co., Ltd.

Content of Commitment:

1. The Company warrants that the information provided for the material asset restructuring is true, accurate, complete and timely, without any false records, misleading statements or material omissions, and shall bear individual and joint legal liability for the authenticity, accuracy and completeness of the information provided.

2. The Company warrants that all materials provided to the intermediaries participating in the material asset restructuring are true and original written materials or copy materials, the copies or photocopies of such materials are consistent with the originals or the original copies, are accurate and complete, all signatures and seals on the documents are authentic, and there are no false records, misleading statements or material omissions.

3. According to the progress of the material asset restructuring, if it is necessary to continue to provide relevant documents and information, the Company warrants that the documents and information continued to be provided will still meet the requirements of truthfulness, accuracy, completeness, timeliness and validity.

4. If the material asset restructuring report and other information disclosure materials of Nanjing Putian contain false records, misleading statements or material omissions, resulting in losses to the shareholders of Nanjing Putian and public investors in the securities trading of Nanjing Putian, the Company shall bear civil compensation liability in accordance with the provisions of relevant laws, regulations and normative documents based on the final handling decision of the CSRC or the effective judgment of the people's court and other competent authorities, to compensate for the losses of the shareholders of Nanjing Putian and public investors.

5. The Company warrants that it will bear the individual and joint legal liability arising therefrom if it violates the above statements and commitments.

#### **Undertaking 29**

Promisor: Nanjing NM Electrical Co., Ltd.

**Content of Commitment:**

1. The Company has provided Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "the Listed Company") and the intermediaries serving this Transaction with relevant information and documents of the Company in relation to this Transaction (including but not limited to original written materials, copy materials or oral testimony, etc.). The Company warrants that the copies or photocopies of the documents and materials provided are consistent with the originals or the original copies, and the signatures and seals on such documents and materials are authentic; the Company warrants that the information and documents provided are true, accurate and complete, without any false records, misleading statements or material omissions, and shall bear individual and joint legal liability for the authenticity, accuracy and completeness of the information provided.

2. During the participation in this Transaction, the Company will timely disclose information related to this Transaction to the Listed Company in accordance with relevant laws and regulations, rules and the relevant provisions of the CSRC and the SZSE, and warrants that such information is true, accurate and complete, without any false records, misleading statements or material omissions.

If the information provided or disclosed by the Company for this Transaction is suspected of false records, misleading statements or material omissions, and is filed for criminal investigation by a judicial organ or filed for investigation by the CSRC, the Company is willing to bear full legal liability therefor.

**Undertaking 30**

Promisor: Nanjing Rail Transit System Engineering Co., Ltd.

**Content of Commitment:**

1. The Company has provided Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as "the Listed Company") and the intermediaries serving this Transaction with relevant information and documents of the Company in relation to this Transaction (including but not limited to original written materials, copy materials or oral testimony, etc.). The Company warrants that the copies or photocopies of the documents and materials provided are consistent with the originals or the original copies, and the signatures and seals on such documents and materials are authentic; the Company warrants that the information and documents provided are true, accurate and complete, without any false records, misleading statements or material omissions, and shall bear individual and joint legal liability for the authenticity, accuracy and completeness of the information provided.

2. During the participation in this Transaction, the Company will timely disclose information related to this Transaction to the Listed Company in accordance with relevant laws and regulations, rules and the relevant provisions of the CSRC and the SZSE, and warrants that such information is true, accurate and complete, without any false records, misleading statements or material omissions.

If the information provided or disclosed for this Transaction is suspected of false records, misleading statements or material omissions, and is filed for criminal investigation by a judicial organ or filed for investigation by the CSRC, the Company will not transfer the shares with rights and interests in the Listed Company before the formation of the investigation conclusion, and will submit a written application for suspension of transfer and the stock account to the board of directors of the Listed Company within two trading days upon receipt of the notice of filing for investigation, so that the board of directors can apply for lock-up to the stock exchange and the securities depository and clearing company on behalf of the Company. If the Company fails to submit the application for lock-up within two trading days, the Company authorizes the board of directors to directly submit the identity information and account information of the Company to the stock exchange and the securities depository and clearing company for lock-up after verification. If the board of

directors fails to submit the identity information and account information of the Company to the stock exchange and the securities depository and clearing company, the Company authorizes the stock exchange and the securities depository and clearing company to directly lock up the relevant shares. If the investigation conclusion finds any illegal or irregular circumstances, the Company undertakes that the locked-up shares will be voluntarily used for the relevant investor compensation arrangements.

### Undertaking 31

Promisor: Nanjing Putian Telecommunications Co., Ltd. and Shen Xiaobing, Jiang Yi, Shi Jiandong, Wang Xingyu, Song Tiecheng, Gao Jing, Huang Linkui, Mei Lin, He Hui, Qiu Huizhen, Jia Haowen, Liao Rongchao, Li Jing, Fu Guokai

#### Content of Commitment:

With respect to illegal and irregular acts and breach of trust in the last three years, the Company and its incumbent directors, supervisors and senior management hereby make the following commitments:

1. The incumbent directors, supervisors and senior management of the Company are not subject to any circumstances that disqualify them from serving as directors, supervisors or senior management of the Company as stipulated in the *Company Law of the People's Republic of China*.

2. The Company and its incumbent directors, supervisors and senior management are not under any circumstances of being filed for criminal investigation by a judicial organ for suspected crimes or filed for investigation by the CSRC for suspected violations of laws and regulations.

3. Specific details of administrative penalties, administrative regulatory measures, disciplinary sanctions by the stock exchange and self-regulatory measures imposed on the Company and its incumbent directors, supervisors and senior management in the last three years are as follows:

#### (1) Letter of Concern from the SZSE in February 2021

On February 25, 2021, the Company Management Department of the Shenzhen Stock Exchange issued *Letter of Concern on Nanjing Putian Telecommunications Co., Ltd.* ([2021] No. 34) in respect of the *Announcement on Abnormal Fluctuation of Stock Trading* and the *Prompt Announcement on the Proposed Free Transfer of the Overall Property Rights of the Actual Controller* disclosed by the Company. The Letter required the board of directors of the Company to, on the basis of inquiry with relevant shareholders, explain the specific time when the matters disclosed in the *Prompt Announcement* were initially planned or discussed, the specific time when the Company and the directors, supervisors and senior management first learned of the aforementioned matters, whether the directors, supervisors, senior management and their immediate family members, as well as insiders of the aforementioned matters, have engaged in any trading of the Company's shares recently and whether there is any suspected insider trading, etc. The Company was required to reply in writing to the Company Management Department of the SZSE with the aforementioned verification results before March 2, 2021, and timely submit the list of insiders of the aforementioned matters. In addition, the Company and all directors, supervisors and senior management were reminded to perform their information disclosure obligations in accordance with laws and regulations.

(2) Order for Rectification issued by Jiangsu Supervision Bureau of the CSRC to the Listed Company in January 2022, and Supervisory Letter from the SZSE in May of the same year

On January 26, 2022, the Jiangsu Supervision Bureau of the China Securities Regulatory Commission issued *Decision on Taking Regulatory Measures of Order for Rectification against Nanjing Putian Telecommunications Co., Ltd.* ([2022] No. 10), which determined that during the period from 2017 to 2019, the revenue from the private network communication business carried out by the Company should have been recognized as commissioned processing service income using the net method, but the Company had been

recognizing revenue using the gross method. This act violated the provisions of *Accounting Standards for Business Enterprises No. 14 – Revenue* and Article 2 of the *Measures for the Administration of Information Disclosure of Listed Companies* (CSRC Order No. 40). In accordance with Article 59 of the *Measures for the Administration of Information Disclosure of Listed Companies* (CSRC Order No. 40), it was decided to take the regulatory measure of ordering rectification against the Company and record it in the integrity file of the securities and futures market.

On May 25, 2022, the Listed Company Management Department 2 of the Shenzhen Stock Exchange issued *Supervisory Letter on Nanjing Putian Telecommunications Co., Ltd.* ([2022] No. 108). The main content is: according to the *Announcement on Correction of Prior Period Accounting Errors* disclosed by the Listed Company on April 26, 2022, it was determined that during the period from 2017 to 2019, the revenue from the private network communication business carried out by the Company should have been recognized as commissioned processing service income using the net method, but the Company had been recognizing revenue using the gross method. The above acts violated the provisions of Article 1.4 and Article 2.1 of the *Stock Listing Rules (Revised in November 2018)* of the SZSE. The SZSE required the Company and all directors, supervisors and senior management to learn a lesson, make timely rectification, and prevent the recurrence of the above problems.

(3) Supervisory Letter from the SZSE received by the Listed Company in April 2024

On April 30, 2024, the Listed Company Management Department 2 of the Shenzhen Stock Exchange issued a Supervisory Letter ([2024] No. 89), which determined that part of the content in the "Table of the Number of Common Shareholders and Preferred Shareholders with Restored Voting Rights and the Shareholding of the Top 10 Shareholders" in the *2023 Annual Report Summary* of the Company was inconsistent with the actual situation, resulting in inaccurate information disclosure. This act violated the provisions of Article 1.4 and Article 2.1.1 of the *Stock Listing Rules (Revised in August 2023)* of the SZSE.

4. Except for the above circumstances, the Company and its incumbent directors, supervisors and senior management have not been subject to any administrative penalties for violating relevant laws and regulations in the last three years (except those obviously unrelated to the securities market), and have no record of criminal penalties or major civil litigation or arbitration cases related to economic disputes in the last five years. Except for the above circumstances, the Company and its incumbent directors, supervisors and senior management have maintained a good credit standing in the last three years without any major breach of trust, including but not limited to failure to repay large debts on schedule, failure to perform commitments, being subject to administrative regulatory measures by the CSRC or disciplinary sanctions by the stock exchange.

### **Undertaking 32**

Promisor: Nanjing NM Electrical Co., Ltd.

Content of Commitment:

1. The incumbent directors, supervisors and senior management of the Company are not subject to any circumstances that disqualify them from serving as directors, supervisors or senior management of the Company as stipulated in the *Company Law of the People's Republic of China*.

2. The Company and its incumbent directors, supervisors and senior management and other key personnel are not under any circumstances of being filed for criminal investigation by a judicial organ for suspected crimes or filed for investigation by the CSRC for suspected violations of laws and regulations.

3. The Company and its incumbent directors, supervisors and senior management and other key personnel have not been subject to any administrative penalties, administrative regulatory measures or disciplinary sanctions by the stock exchange in the last three years.

4. The Company and its incumbent directors, supervisors and senior management and other key personnel have not been subject to any administrative penalties for violating relevant laws and regulations in the last three years (except those obviously unrelated to the securities market), and have no record of criminal penalties or major civil litigation or arbitration cases related to economic disputes in the last five years. The Company and its incumbent directors, supervisors and senior management and other key personnel have maintained a good credit standing in the last three years without any major breach of trust, including but not limited to failure to repay large debts on schedule, failure to perform commitments, being subject to administrative regulatory measures by the CSRC or disciplinary sanctions by the stock exchange.

### **Undertaking 33**

Promisor: Nanjing Rail Transit System Engineering Co., Ltd.

Content of Commitment:

1. The incumbent directors, supervisors and senior management of the Company are not subject to any circumstances that disqualify them from serving as directors, supervisors or senior management of the Company as stipulated in the *Company Law of the People's Republic of China*.

2. The Company and its incumbent directors, supervisors and senior management and other key management personnel have not been subject to any administrative penalties (except those obviously unrelated to the securities market) or criminal penalties in the last five years, nor have they been involved in any major civil litigation or arbitration related to economic disputes. The Company and its incumbent directors, supervisors and senior management and other key management personnel have maintained a good credit standing in the last five years without any major breach of trust, including but not limited to failure to repay large debts on schedule, failure to perform commitments, being subject to administrative regulatory measures by the CSRC or disciplinary sanctions by the stock exchange.

### **3. Where the company has profit forecasts for assets or projects and the reporting period is still within the profit forecast period, the company shall explain whether the assets or projects have achieved the original profit forecast and the reasons therefor**

Applicable  Not Applicable

### **4. The company is involved in performance commitments**

Applicable  Not Applicable

## **II. Non-operational Fund Occupation of the Listed Company by the Controlling Shareholder and Other Related Parties**

Applicable  Not Applicable

During the Reporting Period, there was no non-operational fund occupation of the Listed Company by the Controlling Shareholder and other Related Parties.

## **III. Non-compliant External Guarantees**

Applicable  Not Applicable

The Company had no non-compliant external guarantees during the Reporting Period.

#### IV. Explanation by the Board of Directors on Matters Relating to the Latest “Modified Audit Report”

Applicable  Not Applicable

#### V. Explanation by the Board of Directors and Independent Directors (if any) on the “Modified Audit Report” Issued by the Accounting Firm for the Current Reporting Period

Applicable  Not Applicable

#### VI. Explanation on Changes in Accounting Policies, Changes in Accounting Estimates or Correction of Material Accounting Errors Compared with the Previous Year’s Financial Report

Applicable  Not Applicable

The Company had no changes in accounting policies, changes in accounting estimates or correction of material accounting errors during the Reporting Period.

#### VII. Explanation on Changes in the Scope of Consolidated Financial Statements Compared with the Previous Year’s Financial Report

Applicable  Not Applicable

There was no change in the scope of the Company’s consolidated financial statements during the Reporting Period.

#### VIII. Appointment and Dismissal of Accounting Firms

Currently Appointed Accounting Firm

Name of Domestic Accounting Firm	Zhongxinghua Certified Public Accountants LLP (Special General Partnership)
Remuneration of Domestic Accounting Firm (10 <sup>4</sup> Yuan)	50
Consecutive Years of Audit Services Provided by the Domestic Accounting Firm	1 year
Names of Certified Public Accountants of the Domestic Accounting Firm	Zhao Ming, Zhao Yonghua
Consecutive Years of Audit Services Provided by the Certified Public Accountants	1 year

Whether the Accounting Firm was Changed during the Current Period

Yes  No

Appointment of Internal Control Audit Accounting Firm, Financial Advisor or Sponsor

Applicable  Not Applicable

The Company appointed Zhongxinghua Certified Public Accountants LLP (Special General Partnership) as the internal control audit institution for the year 2025, with an internal control audit fee of RMB 100,000.

#### IX. Delisting Risks after the Disclosure of the Annual Report

Applicable  Not Applicable

## X. Matters Relating to Bankruptcy Reorganization

Applicable  Not Applicable

No matters relating to bankruptcy reorganization occurred to the Company during the Reporting Period.

## XI. Material Litigation and Arbitration Matters

Applicable  Not Applicable

Basic Information of Litigation (Arbitration)	Amount Involved (10 <sup>4</sup> Yuan)	Whether Provisions are Recognized	Progress of Litigation (Arbitration)	Trial Result and Impact	Enforcement Status of Judgment	Disclosure Date	Disclosure Reference
Contract dispute case of Nanjing Putian Datang Information Electronics Co., Ltd. v. Nanjing Yuebo Power System Co., Ltd.	2.35	No	Judgment has taken effect	No material impact on the Company's current or subsequent profit	Under enforcement	May 6, 2025	<i>Announcement on Accumulated Litigation</i> (Announcement No.: 2025-021)
Trademark infringement dispute case of Nanjing Putian Telege Building Intelligence Co., Ltd. v. Yixiantian Electrical Appliance Business Department of Jinqiao Decoration City	32.46	No	Court mediation	No material impact on the Company's current or subsequent profit	Enforcement completed	May 6, 2025	<i>Announcement on Accumulated Litigation</i> (Announcement No.: 2025-021)
Construction contract dispute case of Zhang Feng v. Nanjing Putian Telecommunications Co., Ltd.	2.82	No	Judgment has taken effect	No material impact on the Company's current or subsequent profit	Enforcement completed	May 6, 2025	<i>Announcement on Accumulated Litigation</i> (Announcement No.: 2025-021)
Labor dispute case of Wang Chaochao v.	1.51	No	Arbitration mediation	No material impact on the Company's current or	Enforcement completed	May 6, 2025	<i>Announcement on Accumulated Litigation</i>

Nanjing Putian Telecommunications Co., Ltd.				subsequent profit			(Announcement No.: 2025-021)
Sales contract dispute case of Beijing Branch of China United Network Communications Co., Ltd. v. Nanjing Putian Telecommunications Co., Ltd.	418.88	No	Judgment has taken effect	No material impact on the Company's current or subsequent profit	Enforcement completed	May 6, 2025	<i>Announcement on Accumulated Litigation</i> (Announcement No.: 2025-021)
Construction contract dispute case of Nanjing Chengfeng Architectural Decoration Engineering Co., Ltd. v. Nanjing Putian Telecommunications Co., Ltd.	42.43	No	Judgment has taken effect	No material impact on the Company's current or subsequent profit	Enforcement completed	May 6, 2025	<i>Announcement on Accumulated Litigation</i> (Announcement No.: 2025-021)
Items below the disclosure threshold during the Reporting Period	652.13	No	-	-	-		-

## XII. Penalties and Rectification

Applicable  Not Applicable

There were no penalties and rectification matters for the Company during the Reporting Period.

## XIII. Integrity Status of the Company, its Controlling Shareholder and Actual Controller

Applicable  Not Applicable

## XIV. Material Related Party Transactions

### 1. Related Party Transactions in the Ordinary Course of Business

Applicable  Not Applicable

Related Party	Related Party Relationship	Type of Related Party Transaction	Content of Related Party Transaction	Pricing Principle of Related Party Transaction	Transaction Price of Related Party Transaction	Transaction Amount (10 <sup>4</sup> Yuan)	Proportion in Similar Transactions	Approved Transaction Limit (10 <sup>4</sup> Yuan)	Whether Exceeding Approved Limit	Settlement Method of Related Party Transaction	Available Market Price of Similar Transactions	Disclosure Date	Disclosure Reference
Nanjing NM Electrical Co., Ltd.	Under control of the ultimate controller	Purchase of goods and acceptance of services	Telecommunication products	Market Price	152.82	152.82	0.31%	6,000	No	Bank Transfer	152.82	April 12, 2025	<i>Announcement on the Estimate of Routine Related Party Transactions for 2025 on CNINFO</i>
CETC (Nanjing) Electronic Information Development Co., Ltd.	Under control of the ultimate controller	Purchase of goods and acceptance of services	Telecommunication products	Market Price	36.00	36.00	0.07%		No	Bank Transfer	36.00	Ibid.	Ibid.
North China Institute of Computing Technology (The	Under control of the ultimate controller	Purchase of goods and acceptance of services	Telecommunication products	Market Price	10.62	10.62	0.02%		No	Bank Transfer	10.62	Ibid.	Ibid.

15 <sup>th</sup> Research Institute of CETC )	ller													
Nanjing Putian Hongyan Electrical Technology Co., Ltd.	Under control of the ultimate controller	Purchase of goods and acceptance of services	Telecommunication products	Market Price	0.17	0.17	0.00%		No	Bank Transfer	0.17	Ibid.	Ibid.	
Beijing Branch of Hangzhou Hikvision Digital Technology Co., Ltd.	Under control of the ultimate controller	Purchase of goods and acceptance of services	Telecommunication products	Market Price	0.12	0.12	0.00%		No	Bank Transfer	0.12	Ibid.	Ibid.	
The 14 <sup>th</sup> Research Institute of CETC	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	1,922.79	1,922.79	3.11%		No	Bank Transfer	1,922.79	Ibid.	Ibid.	
Taiji Computer Corporation Limited	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	782.39	782.39	1.27%	12,000	No	Bank Transfer	782.39	Ibid.	Ibid.	
Nanjing Lopu Co., Ltd.	Under control of the	Sale of goods and provision of	Telecommunication products	Market Price	690.68	690.68	1.12%		No	Bank Transfer	690.68	Ibid.	Ibid.	

	ultimate controller	services											
Nanjing LES Information Technology Co., Ltd.	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	521.37	521.37	0.84%	No	Bank Transfer	521.37	Ibid.	Ibid.	
The 28 <sup>th</sup> Research Institute of CETC	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	487.65	487.65	0.79%	No	Bank Transfer	487.65	Ibid.	Ibid.	
Nanjing Glarun Defense System Co., Ltd.	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	264.69	264.69	0.43%	No	Bank Transfer	264.69	Ibid.	Ibid.	
CETC Cloud (Beijing) Technology Co., Ltd.	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	241.12	241.12	0.39%	No	Bank Transfer	241.12	Ibid.	Ibid.	
Tianbo Electronic Information Technology Co., Ltd.	Under control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	83.94	83.94	0.14%	No	Bank Transfer	83.94	Ibid.	Ibid.	
Beijing ATV	Under control of the ultimate controller	Sale of goods	Telecommunications products	Market Price	79.57	79.57	0.13%	No	Bank Transfer	79.57	Ibid.	Ibid.	

Technology Co., Ltd.	controller of the ultimate controller	and provision of services	on products										
Nanjing Rail Transit System Engineering Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	69.03	69.03	0.11%		No	Bank Transfer	69.03	Ibid.	Ibid.
Hebei Far East Communication System Engineering Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	65.48	65.48	0.11%		No	Bank Transfer	65.48	Ibid.	Ibid.
Putian Rail Transit Technology (Shanghai) Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	58.52	58.52	0.09%		No	Bank Transfer	58.52	Ibid.	Ibid.
CETC Putian Technology Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	51.68	51.68	0.08%		No	Bank Transfer	51.68	Ibid.	Ibid.
The 54 <sup>th</sup> Research Institute of CETC	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunications products	Market Price	44.19	44.19	0.07%		No	Bank Transfer	44.19	Ibid.	Ibid.

	controller												
CETC Digital Technology Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	27.26	27.26	0.04%	No	Bank Transfer	27.26	Ibid.	Ibid.	
Nanjing NM Electrical Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	21.89	21.89	0.04%	No	Bank Transfer	21.89	Ibid.	Ibid.	
CETC Metrology, Inspection and Certification (Beijing) Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	21.62	21.62	0.03%	No	Bank Transfer	21.62	Ibid.	Ibid.	
Nanjing Lopu Technology Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	16.68	16.68	0.03%	No	Bank Transfer	16.68	Ibid.	Ibid.	
Glarun Technology Co., Ltd.	Under commission control of the ultimate controller	Sale of goods and provision of services	Telecommunication products	Market Price	13.94	13.94	0.02%	No	Bank Transfer	13.94	Ibid.	Ibid.	
The 55 <sup>th</sup> Research	Under commission control	Sale of goods and	Telecommunication	Market Price	7.08	7.08	0.01%	No	Bank Transfer	7.08	Ibid.	Ibid.	

Institute of CETC	l of the ultimate controller	provision of services	products											
Sun Create Electronics Co., Ltd.	Under comm on control of the ultimate controller	Sale of goods and provision of services	Telecommu nication products	Market Price	6.37	6.37	0.01%		No	Bank Transfer	6.37	Ibid.	Ibid.	
Easter n Com munications Co., Ltd.	Under comm on control of the ultimate controller	Sale of goods and provision of services	Telecommu nication products	Market Price	4.56	4.56	0.01%		No	Bank Transfer	4.56	Ibid.	Ibid.	
Nanji ng LES Electr onic Equip ment Co., Ltd.	Under comm on control of the ultimate controller	Sale of goods and provision of services	Telecommu nication products	Market Price	2.25	2.25	0.00%		No	Bank Transfer	2.25	Ibid.	Ibid.	
Nanji ng Nriet Indust rial Co., Ltd.	Unde r comm on control of the ultim ate contr oller	Sale of good s and provi sion of servi ces	Telecomm unication products	Market Price	1.35	1.35	0.00%		No	Bank Transfer	1.35	Ibid.	Ibid.	
Tianji n Putian Innov ation and Entre preneurship Techn	Under comm on control of the ultimate controller	Sale of goods and provision of services	Telecommu nication products	Market Price	1.06	1.06	0.00%		No	Bank Transfer	1.06	Ibid.	Ibid.	

ology Co., Ltd.													
CETC (Nanjing) Electronic Information Development Co., Ltd.	Under comm on contro l of the ultima te contro ller	Sale of goods and provis ion of servic es	Telec ommu nicati on produ cts	Marke t Price	0.27	0.27	0.00%		No	Bank Transf er	0.27	Ibid.	Ibid.
The 14 <sup>th</sup> Resea rch Institu te of CETC	Under comm on contro l of the ultima te contro ller	Real estate leasin g	Rent	Marke t Price	175.42	175.42	32.75%		No	Bank Transf er	175.42		
Nanji ng Lopu Co., Ltd.	Under comm on contro l of the ultima te contro ller	Real estate leasin g	Rent	Marke t Price	39.52	39.52	7.38%	300	No	Bank Transf er	39.52	Ibid. Ibid. Ibid.	Ibid. Ibid. Ibid.
CETC Metrology, Inspec tion and Certifi cation (Beiji ng) Co., Ltd.	Under comm on contro l of the ultima te contro ller	Real estate leasin g	Rent	Marke t Price	19.44	19.44	3.63%		No	Bank Transf er	19.44		
Beijin g Capite l Co., Ltd.	Under comm on contro l of the ultima te contro ller	Real estate leasin g	Rent and proper ty mana geme nt fee	Marke t Price	103.44	103.44	100%	10	Yes	Bank Transf er	74.59	Ibid.	Ibid.

China Putian Information Industry Co., Ltd.	Under common control of the ultimate controller	Entrusted loan interest	Loan interest	Market Price	350.56	350.56	40%			Bank Transfer	350.56		
CETC Glarun Group Co., Ltd.	Under common control of the ultimate controller	Entrusted loan interest	Loan interest	Market Price	3.36	3.36	0%	430		Bank Transfer	3.36	Ibid.	Ibid.
Total				--	--	6,378.90	--	18,740	--	--	--	--	--
Details of Material Sales Returns				N/A									
Actual Performance during the Reporting Period of the Total Amount Estimate for Routine Related Party Transactions by Category (if any)				The Company estimated that the total amount of routine related party transactions in 2025 would not exceed RMB 187.4 million. During the Reporting Period, the actual total amount of routine related party transactions was RMB 63.789 million, of which the amount of goods purchased and services accepted from related parties was RMB 1.9973 million, the amount of goods sold and services provided to related parties was RMB 54.8743 million, rental income was RMB 2.3438 million, rent and property management fees paid were RMB 1.0344 million, and entrusted loan interest paid was RMB 3.5392 million, which did not exceed the total estimated amount.									
Reasons for Significant Differences between Transaction Prices and Market Reference Prices (if applicable)				N/A									

## 2. Related Party Transactions Arising from the Acquisition or Sale of Assets or Equity

Applicable  Not Applicable

No related party transactions arising from the acquisition or sale of assets or equity occurred to the Company during the Reporting Period.

## 3. Related Party Transactions of Joint External Investment

Applicable  Not Applicable

No related party transactions of joint external investment occurred to the Company during the Reporting Period.

## 4. Related Party Credits and Debts

Applicable  Not Applicable

Whether There Are Non-operational Related Party Credits and Debts

Yes  No

There were no non-operational related party credits and debts of the Company during the Reporting Period.

## 5. Transactions with Related Finance Companies

Applicable  Not Applicable

### Deposit Business

Related Party	Related Party Relationship	Daily Maximum Deposit Limit (10 <sup>4</sup> Yuan)	Deposit Interest Rate Range	Opening Balance (10 <sup>4</sup> Yuan)	Amount Incurred in the Current Period		Closing Balance (10 <sup>4</sup> Yuan)
					Current Period Total Deposit Amount (10 <sup>4</sup> Yuan)	Current Period Total Withdrawal Amount (10 <sup>4</sup> Yuan)	
China Electronics Technology Finance Co., Ltd.	Other enterprises controlled by the actual controller	58,661.66	0.05%-0.85%	28,720.43	155,491.23	166,933.67	17,277.99

### Loan Business

Related Party	Related Party Relationship	Loan Limit (10 <sup>4</sup> Yuan)	Loan Interest Rate Range	Opening Balance (10 <sup>4</sup> Yuan)	Amount Incurred in the Current Period		Closing Balance (10 <sup>4</sup> Yuan)
					Current Period Total Loan Amount (10 <sup>4</sup> Yuan)	Current Period Total Repayment Amount (10 <sup>4</sup> Yuan)	
China Electronics Technology Finance Co., Ltd.	Other enterprises controlled by the actual controller	5,500	3.8%	5,500			5,500
China Electronics Technology Finance Co., Ltd.	Other enterprises controlled by the actual controller	1,500	3.75%	1,500			1,500

### Credit Line or Other Financial Business

Related Party	Related Party Relationship	Business Type	Total Amount (10 <sup>4</sup> Yuan)	Actual Incurred Amount (10 <sup>4</sup> Yuan)
China Electronics Technology Finance Co., Ltd.	Other enterprises controlled by the actual controller	Credit Line	7,000	7,000

## 6. Transactions between the Company's Controlled Finance Company and Related Parties

Applicable  Not Applicable

There are no deposit, loan, credit line or other financial businesses between the Company's controlled finance company and related parties.

## 7. Other Material Related Party Transactions

Applicable  Not Applicable

The Company had no other material related party transactions during the Reporting Period.

## XV. Material Contracts and Their Performance

### 1. Custody, Contracting and Leasing Matters

#### (1) Custody Matters

Applicable  Not Applicable

There were no custody matters for the Company during the Reporting Period.

#### (2) Contracting Matters

Applicable  Not Applicable

There were no contracting matters for the Company during the Reporting Period.

#### (3) Leasing Matters

Applicable  Not Applicable

Explanation of Leasing Matters

During the Reporting Period, the Company and its subsidiaries incurred leasing expenses of RMB 1.0344 million and realized leasing income of RMB 5.3561 million.

Items with Profit and Loss Accounting for More than 10% of the Company's Total Profit in the Reporting Period

Applicable  Not Applicable

Lessor Name	Lessee Name	Leased Assets	Amount Involved in Leased Assets (10 <sup>4</sup> Yuan)	Lease Commencement Date	Lease Termination Date	Leasing Income (10 <sup>4</sup> Yuan)	Basis for Determining Leasing Income	Impact of Leasing Income on the Company	Whether It Is a Related Party Transaction	Related Party Relationship
Nanjing Putian Telecommunications Co., Ltd.	Individual	Real estate leasing	5.25	June 1, 2022	August 31, 2027	19.06	Signed contract	Increase profit	No	-
Nanjing Putian Telecommunications Co., Ltd.	Nanjing Dengfeng Cultural Communication Co., Ltd.	Real estate leasing	0	January 1, 2023	December 31, 2027	24.76	Signed contract	Increase profit	No	-
Nanjing Putian Telecom	Individual	Real estate leasing	10.09	November 1, 2023	January 31, 2029	25.71	Signed contract	Increase profit	No	-

munications Co., Ltd.										
Nanjing Putian Telecommunications Co., Ltd.	The 14 <sup>th</sup> Research Institute of CETC	Real estate leasing	238.42	March 01, 2023	December 31, 2027	51.80	Signed contract	Increase profit	Yes	Under common control of the actual controller
Nanjing Putian Telecommunications Co., Ltd.	The 14 <sup>th</sup> Research Institute of CETC	Real estate leasing	516.04	May 1, 2023	December 31, 2027	109.40	Signed contract	Increase profit	Yes	Under common control of the actual controller
Nanjing Putian Telecommunications Co., Ltd.	The 14 <sup>th</sup> Research Institute of CETC	Real estate leasing	104.78	November 10, 2024	November 9, 2026	14.22	Signed contract	Increase profit	Yes	Under common control of the actual controller
Nanjing Putian Datang Information Electronics Co., Ltd.	Nanjing Aideng Electronic Technology Co., Ltd.	Real estate leasing	36.86	November 18, 2024	November 17, 2025	24.05	Signed contract	Increase profit	No	-
Nanjing Putian Datang Information Electronics Co., Ltd.	Nanjing Nanda Digital Technology Co., Ltd.	Real estate leasing	24.13	April 1, 2023	March 30, 2028	20.95	Signed contract	Increase profit	No	-
Nanjing Putian Datang Information Electronics Co., Ltd.	Nanjing Yihe Electronic Technology Co., Ltd.	Real estate leasing	56.17	March 1, 2021	February 28, 2026	32.73	Signed contract	Increase profit	No	-
Nanjing Putian Datang Information Electronics Co., Ltd.	Nanjing Yihe Software Technology Co., Ltd.	Real estate leasing	56.17	March 01, 2021	February 28, 2026	32.73	Signed contract	Increase profit	No	-
Nanjing	Nanjing	Real	36.86	October 8, 2019	October 7, 2029	38.68	Signed	Increase	No	-

Putian Datang Information Electronics Co., Ltd.	Qilong Instrument Technology Co., Ltd.	estate leasing					contract	profit		
Nanjing Putian Datang Information Electronics Co., Ltd.	CETC Metrology, Inspection and Certification (Beijing) Co., Ltd.	Real estate leasing	21.94	November 01, 2023	November 01, 2026	19.44	Signed contract	Increase profit	Yes	Under common control of the actual controller
Nanjing Southern Telecom Co., Ltd.	Nanjing Lopu Co., Ltd.	Real estate leasing	501.91	January 1, 2024	December 31, 2026	39.52	Signed contract	Increase profit	Yes	Under common control of the actual controller
Nanjing Putian Telegen Intelligent Building Ltd.	Nanjing Chuangliu Industry and Trade Co., Ltd.	Real estate leasing	50.47	January 20, 2025	January 19, 2028	63.71	Signed contract	Increase profit	No	-
Beijing Capitel Co., Ltd.	Nanjing Southern Telecom Co., Ltd.	Real estate leasing	/	December 1, 2024	November 30, 2029	103.44	Signed contract	Cost and expense	Yes	Under common control of the actual controller

## 2. Material Guarantees

Applicable  Not Applicable

There were no material guarantees for the Company during the Reporting Period.

## 3. Entrustment of Others to Conduct Cash Asset Management

### (1) Entrusted Wealth Management

Applicable  Not Applicable

There was no entrusted wealth management for the Company during the Reporting Period.

### (2) Entrusted Loans

Applicable  Not Applicable

There were no entrusted loans for the Company during the Reporting Period.

#### **4. Other Material Contracts**

Applicable  Not Applicable

There were no other material contracts for the Company during the Reporting Period.

#### **XVI. Use of Proceeds from Share Offerings**

Applicable  Not Applicable

There was no use of proceeds from share offerings by the Company during the Reporting Period.

#### **XVII. Explanation of Other Material Matters**

Applicable  Not Applicable

There were no other material matters that need to be disclosed by the Company during the Reporting Period.

#### **XVIII. Material Matters of the Company's Subsidiaries**

Applicable  Not Applicable

## Section VI Changes in Shares and Shareholder Information

### I. Changes in Shares

#### 1. Changes in Share Capital

Unit: Share

	Before This Change		Changes in This Period (+, -)					After This Change	
	Quantity	Proportion	New Share Issuance	Bonus Shares	Capital Reserve Conversion into Shares	Others	Subtotal	Quantity	Proportion
I. Non-listed Tradable Shares	115,000,000	53.49%						115,000,000	53.49%
1. Promoter Shares	115,000,000	53.49%						115,000,000	53.49%
Of which: State-owned Shares	115,000,000	53.49%						115,000,000	53.49%
Domestic Legal Person Shares									
Overseas Legal Person Shares									
Others									
2. Corporate Shares from Fund Raising									
3. Employee Shares									
4. Preference Shares or Others									

II. Listed Tradable Shares	100,000,000	46.51%						100,000,000	46.51%
1. Domestic Listed Ordinary Shares									
2. Domestic Listed Foreign Shares	100,000,000	46.51%						100,000,000	46.51%
3. Overseas Listed Foreign Shares									
4. Others									
III. Total Share Capital	215,000,000	100.00%						215,000,000	100.00%

Reasons for Changes in Shares

Applicable  Not Applicable

Approval of Changes in Shares

Applicable  Not Applicable

Transfer of Changes in Shares

Applicable  Not Applicable

Impact of Changes in Share Capital on Financial Indicators including Basic Earnings Per Share, Diluted Earnings Per Share, and Net Assets Per Share Attributable to the Company's Ordinary Shareholders for the Most Recent Fiscal Year and the Most Recent Interim Period

Applicable  Not Applicable

Other Contents that the Company Deems Necessary to Disclose or as Required by the Securities Regulatory Authority

Applicable  Not Applicable

**2. Changes in Restricted Shares**

Applicable  Not Applicable

**II. Securities Issuance and Listing**

**1. Securities Issuance (Excluding Preference Shares) during the Reporting Period**

Applicable  Not Applicable

**2. Explanation on Changes in Total Share Capital, Shareholder Structure, Asset and Liability Structure**

Applicable  Not Applicable

### 3. Status of Existing Employee Shares

Applicable  Not Applicable

## III. Information of Shareholders and Actual Controller

### 1. Number of Shareholders and Shareholding of the Company

Unit: Share

Total number of ordinary shareholders at the end of the reporting period:	7,144	Total number of common shareholders at the end of the month prior to the disclosure date	7,087	Total number of preference shareholders with restored voting rights at the end of the Reporting Period (if any) (see Note 8)	0	Total number of preference shareholders with restored voting rights at the end of the month prior to the disclosure date (if any) (see Note 8)	0	
Shareholding of Shareholders Holding More Than 5% of Shares or the Top 10 Shareholders (excluding shares lent through securities refinancing)								
Name of Shareholder	Nature of Shareholder	Shareholding Ratio	Number of Shares Held at the End of the Reporting Period	Changes During the Reporting Period	Number of Non-listed Tradable Shares Held	Number of Listed Tradable Shares Held	Pledge, Marking or Freezing Status	
							Share Status	Quantity
CETC Glarun Group Co., Ltd.	State-owned Corporation	53.49%	115,000,000	0	115,000,000	0	N/A	0
He Wei	Domestic Natural Person	1.88%	4,046,800.00	137,500.00	0	4,046,800.00	N/A	0
Shenwan Hongyuan Securities (Hong Kong) Co., Ltd.	Overseas Corporation	1.54%	3,319,311.00	292,023.00	0	3,319,311.00	N/A	0
Zheng Enyue	Domestic Natural Person	1.14%	2,449,739.00	0	0	2,449,739.00	N/A	0
Gu Jinhua	Domestic Natural Person	0.87%	1,871,371.00	0	0	1,871,371.00	N/A	0
China Merchants Securities (Hong Kong) Co.,	Overseas Corporation	0.83%	1,780,414.00	251,500.00	0	1,780,414.00	N/A	0

Ltd.								
Wu Wenhui	Domestic Natural Person	0.63%	1,346,800.00	370,000.00	0	1,346,800.00	N/A	0
Chen Rulei	Domestic Natural Person	0.59%	1,275,737.00	409,137.00	0	1,275,737.00	N/A	0
Li Mingling	Domestic Natural Person	0.53%	1,132,400.00	-44,020.00	0	1,132,400.00	N/A	0
Peng Hexin	Domestic Natural Person	0.51%	1,092,800.00	164,000.00	0	1,092,800.00	N/A	0
Status of Strategic Investors or Ordinary Legal Persons Becoming the Top 10 Shareholders through New Share Allotment (if any) (see Note 3)	None							
Description of Related Relationships or Acting-in-Concert Status among the Above Shareholders	Among the top ten shareholders, CETC Guorui Group Co., Ltd. has no related relationship with other shareholders, nor is it an acting-in-concert party with them. The Company has no knowledge of whether there are related relationships or acting-in-concert status among other shareholders.							
Explanation on Entrustment/Acceptance of Voting Rights or Waiver of Voting Rights Involving the Aforementioned Shareholders	None							
Special Explanation on the Repurchase Special Account among the Top 10 Shareholders (if any) (see Note 10)	As of the end of the Reporting Period, the Special Securities Account for Share Repurchase of Nanjing Putian Telecommunications Co., Ltd. held 2,099,752 tradable shares, accounting for 0.98% of the Company's total share capital.							
Shareholding of the Top 10 Tradable Shareholders (excluding shares lent through securities refinancing and locked shares of senior management)								
Name of Shareholder	Number of Listed Tradable Shares Held at the End of the Reporting Period	Type of Shares						
		Type of Shares	Quantity					
He Wei	4,046,800.00	Domestic Listed Shares	4,046,800.00					
Shenwan Hongyuan Securities (Hong Kong) Co., Ltd.	3,319,311.00	Domestic Listed Shares	3,319,311.00					
Zheng Enyue	2,449,739.00	Domestic Listed Shares	2,449,739.00					
Gu Jinhua	1,871,371.00	Domestic Listed Shares	1,871,371.00					

		Foreign Shares	
China Merchants Securities (Hong Kong) Co., Ltd.	1,780,414.00	Domestic Listed Foreign Shares	1,780,414.0 0
Wu Wenhui	1,346,800.00	Domestic Listed Foreign Shares	1,346,800.0 0
Chen Rulei	1,275,737.00	Domestic Listed Foreign Shares	1,275,737.0 0
Li Mingling	1,132,400.00	Domestic Listed Foreign Shares	1,132,400.0 0
Peng Hexin	1,092,800.00	Domestic Listed Foreign Shares	1,092,800.0 0
Chen Ren	962,000.00	Domestic Listed Foreign Shares	962,000.00
Explanation on Related Party Relationships or Persons Acting in Concert among the Top 10 Unrestricted Tradable Shareholders, as well as between the Top 10 Unrestricted Tradable Shareholders and the Top 10 Shareholders	The Company has no knowledge of whether there is any related party relationship or persons acting in concert among the above shareholders.		
Explanation on the Participation of the Top 10 Common Shareholders in Margin Trading and Securities Lending Business (if any) (see Note 4)	None		

Participation of Shareholders Holding More Than 5% of Shares, the Top 10 Shareholders and the Top 10 Unrestricted Circulating Shareholders in Lending Shares under the Securities Refinancing Business

Applicable  Not Applicable

Changes in the Shareholding of the Top 10 Shareholders and the Top 10 Unrestricted Circulating Shareholders from the Previous Period due to Lending/Returning of Shares under the Securities Refinancing Business

Applicable  Not Applicable

Whether the Top 10 Common Shareholders and the Top 10 Unrestricted Common Shareholders of the Company Conducted Collateralized Repurchase Transactions during the Reporting Period

Yes  No

The top 10 common shareholders and the top 10 unrestricted common shareholders of the Company did not conduct collateralized repurchase transactions during the Reporting Period.

## 2. Information of the Company's Controlling Shareholder

Nature of the Controlling Shareholder: Central State-owned Holding

Type of the Controlling Shareholder: Legal Person

Name of the Controlling Shareholder	Legal Representative/Principal of the Entity	Date of Establishment	Organization Code	Principal Business Activities
CETC Guorui Group Co., Ltd.	Wang Jianming	December 17, 2007	91320000670120685E	R&D of electronic products, communication equipment, instruments and meters; R&D of special railway equipment, apparatus and accessories; R&D and technical services of computer software and hardware; self-operation and agency of import and export business of various commodities and technologies; domestic trade; design and construction of intelligent building system engineering, electronic system engineering, and integrated system engineering for highway communication, monitoring and toll collection; aviation system consulting services; R&D and technical services of agricultural machinery and spare parts; construction and maintenance of agricultural production information systems.
Equity Holdings of the Controlling Shareholder in Other Listed Companies at Home and Abroad during the Reporting Period	Other listed companies at home and abroad in which the Controlling Shareholder holds equity interests include: Glarun Technology Co., Ltd. and CETC Digital Technology Co., Ltd.			

Change of the Controlling Shareholder during the Reporting Period

Applicable  Not Applicable

There was no change in the Company's Controlling Shareholder during the Reporting Period.

### 3. The Company's Actual Controller and Persons Acting in Concert

Nature of the Actual Controller: Central State-owned Assets Supervision and Administration Institution

Type of the Actual Controller: Legal Person

Name of the Actual Controller	Legal Representative/Principal of the Entity	Date of Establishment	Organization Code	Principal Business Activities
China Electronics Technology Group Corporation (CETC)	Wang Haibo	February 25, 2002	Unified Social Credit Code: 91110000710929498G	Mainly engaged in the engineering construction of large-scale national important military and civil electronic information systems, as well as the R&D and production of major equipment, communication and electronic equipment, software and key components.
Equity Holdings of Other Listed Companies at Home and Abroad Controlled by the Actual Controller during the Reporting Period	Other listed companies at home and abroad controlled by the Actual Controller include: Hangzhou Hikvision Digital Technology Co., Ltd., Taiji Computer Corporation Limited, CETC Digital Technology Co., Ltd., CETC Cyber Security Technology Co., Ltd., Glarun Technology Co., Ltd., CETC Chip Technology Co., Ltd., Sun Create Electronics Co., Ltd., Chengdu Spaceon Electronics Co., Ltd., CETC Putian Technology Co., Ltd., Phenix Optical Co., Ltd., HEBEI SINOPACK ELECTRONIC TECHNOLOGY CO., LTD., Eastern Communications Co., Ltd., Eastcom Peace Technology Co., Ltd., Nanjing Guobo Electronics Co., Ltd., Chengdu Siwei Technology Co., Ltd., Hangzhou Ezviz Network Co., Ltd., Nanjing LES Information Technology Co., Ltd., and Beijing E-Hualu Information Technology Co., Ltd.			

Change of the Actual Controller during the Reporting Period

Applicable  Not Applicable

There was no change in the Company's Actual Controller during the Reporting Period.

Block Diagram of Property Right and Control Relationship between the Company and the Actual Controller



Control of the Company by the Actual Controller through Trust or Other Asset Management Methods

Applicable  Not Applicable

**4. Cumulative Pledged Shares of the Company's Controlling Shareholder or the Largest Shareholder and Their Persons Acting in Concert Accounting for More Than 80% of Their Shareholdings in the Company**

Applicable  Not Applicable

**5. Other Legal Person Shareholders Holding More Than 10% of the Shares**

Applicable  Not Applicable

**6. Restrictions on Share Reduction by the Controlling Shareholder, Actual Controller, Reorganizing Party and Other Promising Subjects**

Applicable  Not Applicable

**IV. Specific Implementation of Share Repurchase during the Reporting Period**

Implementation Progress of Share Repurchase

Applicable  Not Applicable

Implementation Progress of Reduction of Repurchased Shares through Centralized Bidding Trading

Applicable  Not Applicable

**V. Matters Relating to Preference Shares**

Applicable  Not Applicable

There were no preference shares of the Company during the Reporting Period.

## Section VII Matters Relating to Bonds

Applicable  Not Applicable

## Section VIII Financial Report

### I. Audit Report

Type of Audit Opinion	Standard Unqualified Opinion
Date of Signing the Audit Report	April 22, 2026
Name of the Audit Institution	Zhongxinghua Certified Public Accountants LLP (Special General Partnership)
Audit Report No.	ZHONG XING HUA SHEN ZI (2026) No. 010146
Names of Certified Public Accountants	Zhao Ming, Zhao Yonghua

### audit report

ZTE Huashen Document No. (2026) 010146

### To all shareholders of Nanjing Putian Communication Co., Ltd.:

#### 一、 audit opinion

We have audited the financial statements of Nanjing Putian Communications Co., Ltd. (hereinafter referred to as "Nanjing Putian Company"), including the consolidated and parent company balance sheets as of December 31, 2025; the consolidated and parent company income statements, consolidated and parent company cash flow statements, consolidated and parent company statement of changes in equity for the year ended 2025; and the accompanying notes to the financial statements.

We conclude that the accompanying financial statements have been prepared in all material respects in accordance with the Enterprise Accounting Standards, fairly presenting Nanjing Putian Company's consolidated and parent company's financial position as of December 31, 2025, as well as their consolidated and parent company's operating results and cash flows for the year 2025.

#### 二、 The basis for forming an audit opinion

We conducted the audit in accordance with the provisions of the China Certified Public Accountant Auditing Standards. The section "Certified Public Accountant's Responsibility for Auditing the Financial Statements" in the audit report further elaborates on our responsibilities under these standards. In compliance with the China Certified Public Accountant Independence Standards and the China Certified Public Accountant Code of Professional Ethics, we maintained independence from Nanjing Putian Company and fulfilled other professional ethical obligations. We are confident that the audit evidence obtained was sufficient and appropriate, providing a solid basis for our audit opinion.

#### 三、 Key Audit Matters

Key audit matters are those that, based on professional judgment, we consider most significant for the current financial statements audit. The treatment of these matters is informed by our overall audit of the financial statements and the resulting opinion; we do not issue separate opinions on them. The following matters have been identified as key audit matters to be disclosed in the audit report.

## **(I) Revenue Recognition**

### 1. Task Description

As detailed in Note 3 and Note 24, as well as Note 5 and Note 37 regarding operating revenue and operating costs in the financial statements, your company's sales revenue for the year 2025 amounted to RMB 617.6395 million.

Operating revenue is one of your company's key performance indicators and a significant component of profit generation. There is an inherent risk that management may manipulate revenue recognition to achieve specific objectives; therefore, we have identified revenue recognition as a critical audit matter.

### 2. Audit Response

(1) Understand and evaluate the design and operational effectiveness of key internal controls related to revenue recognition by management.

(2) Conduct a sampling inspection of your company's revenue-related documents—including sales contracts, sales invoices, shipping records, and customer receipt confirmations—to assess whether the revenue recognition complies with your company's accounting policies for revenue recognition.

(3) Conduct analytical review procedures on operating revenue and gross margin by customer segments and other dimensions to assess the reasonableness of their fluctuations.

(4) Send confirmation letters regarding the accounts receivable balances from major customers to verify the authenticity and accuracy of your company's revenue recognition.

(5) For operating revenue recognized before and after the balance sheet date, verify shipping records, customer receipt documents, and other relevant materials to ensure the revenue is properly recognized within the appropriate period.

## **(II) Provision for bad debts on accounts receivable**

### 1. Task Description

As of December 31, 2025, as detailed in Note 3.10 and Note 5.3 of the financial statements, the Company's accounts receivable balance stood at RMB 515.842 million, with a bad debt provision of RMB 192.2551 million and a carrying amount of RMB 323.5869 million, representing 44.33% of

total assets.

Based on the credit risk characteristics of each accounts receivable, management measures the loss provision for individual accounts receivable or collections portfolios at an amount equivalent to the expected credit loss over the entire lifetime of the accounts receivable.

Given the substantial amount of accounts receivable, failure to collect them on time or the occurrence of bad debts would have a significant impact on the company's financial statements. Moreover, determining the amount of bad debt provisions involves critical management judgments and estimates; therefore, we have identified the recognition of accounts receivable bad debt provisions as a key audit matter.

## 2. Audit Response

The primary audit procedures implemented regarding the provision for bad debts on accounts receivable include:

- (1) Understand and evaluate the design and operational effectiveness of key internal controls related to accounts receivable bad debt provisions;
- (2) For accounts receivable assessed individually for bad debt provisions, we conducted a sampling review of the management's basis for calculating recoverable amounts, including their assessment of credit risk based on the client's current credit standing, repayment willingness, and repayment capacity.
- (3) For accounts receivable for which bad debt provisions are calculated based on aging groups, we conducted sample reviews of key information such as aging periods and overdue days.
- (4) We reviewed the management's calculation of the allowance for bad debts on accounts receivable;
- (5) Conduct confirmation letters for significant accounts receivable, and evaluate the reasonableness of management's provision for bad debts by combining post-period collection data and analysis of reasons for prolonged outstanding balances.

## 四、 Other Information

The management of Nanjing Putian Company (hereinafter referred to as the "Management") is responsible for other information. This other information includes the information contained in Nanjing Putian Company's 2025 Annual Report, excluding the financial statements and our audit report.

Our audit opinion on the financial statements does not cover other information, nor do we issue any form of attestation conclusion regarding such other information.

In conjunction with our audit of the financial statements, our responsibility is to review other information and determine whether such information exhibits material inconsistencies with the

financial statements or with findings made during the audit, or appears to contain material misstatements.

Based on the work we have already conducted, if we identify material misstatements in other information, we should report such findings. In this regard, there are no matters requiring reporting.

#### **五、 The responsibilities of management and governance layers regarding financial statements**

The management is responsible for preparing financial statements in accordance with the provisions of the Enterprise Accounting Standards to ensure their fair presentation, and for designing, implementing, and maintaining necessary internal controls to prevent material misstatements in the financial statements resulting from fraud or error.

When preparing the financial statements, management is responsible for assessing Nanjing Putian Company's ability to continue as a going concern, disclosing events related to the going concern (where applicable), and applying the going concern assumption, unless management plans to liquidate Nanjing Putian Company, cease operations, or has no other realistic alternatives.

The management layer is responsible for overseeing the financial reporting process of Nanjing Putian Company.

#### **六、 The responsibilities of a Certified Public Accountant in auditing financial statements**

Our objective is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements resulting from fraud or error, and to issue an audit report containing an audit opinion. Reasonable assurance represents a high level of assurance; however, it does not guarantee that an audit conducted in accordance with audit standards will always detect the presence of a material misstatement. A misstatement may arise from fraud or error, and it is generally considered material if there is a reasonable expectation that the misstatement, individually or in combination, could affect the economic decisions made by users of the financial statements based on those statements.

During the audit conducted in accordance with auditing standards, we exercised professional judgment and maintained professional skepticism. Additionally, we performed the following audit tasks:

(1) Identify and assess the risk of material misstatements in financial statements arising from fraud or error, design and implement audit procedures to address these risks, and obtain sufficient and appropriate audit evidence as the basis for forming an audit opinion. Since fraud may involve collusion, forgery, intentional omission, false statements, or overriding internal controls, the risk of failing to detect material misstatements due to fraud is higher than the risk of failing to detect

material misstatements due to error.

(2) Understand the internal controls relevant to the audit to design appropriate audit procedures, but the purpose is not to express an opinion on the effectiveness of the internal controls.

(3) Evaluate the appropriateness of the accounting policies adopted by management and the reasonableness of accounting estimates and related disclosures.

(4) Draw conclusions regarding the appropriateness of management's use of the going concern assumption. Simultaneously, based on the audit evidence obtained, determine whether there are material uncertainties concerning matters or circumstances that could raise significant doubts about Nanjing Putian Company's ability to continue as a going concern. If we conclude that material uncertainties exist, audit standards require us to draw the attention of statement users to the relevant disclosures in the financial statements; if the disclosures are inadequate, we shall issue a qualified opinion. Our conclusions are based on the information available as of the audit report date. However, future events or circumstances may result in Nanjing Putian Company being unable to continue as a going concern.

(5) Evaluate the overall presentation, structure, and content of the financial statements, and determine whether they fairly present the relevant transactions and events.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities of Nanjing Putian Company to form an opinion on the financial statements. We are responsible for guiding, supervising, and executing the group audit. We bear full responsibility for the audit opinion.

We communicated with the management regarding the planned audit scope, timeline, and significant audit findings, including the critical internal control deficiencies identified during the audit.

We have also provided the management with a statement regarding our compliance with the professional ethical requirements related to independence, and have communicated with the management all relationships and other matters that could reasonably be considered to affect our independence, along with the relevant safeguards (where applicable).

From the matters communicated with the management, we identify those that are most critical to the audit of the current financial statements, thus constituting key audit matters. We describe these matters in the audit report unless prohibited by law or regulation from public disclosure; or, in very rare circumstances, if it is reasonably expected that disclosing a particular matter would entail negative consequences outweighing the benefits to the public interest, we determine that the matter should not be disclosed in the audit report.

ZHONGXINGHUA CERTIFIED PUBLIC ACCOUNTANTS LLP

China · Beijing

China Certified Public Accountants:  
(Project Partner)

China Certified Public Accountant:

22 April 2026

## consolidated balance sheet

Compiling unit: Nanjing Putian Communication Co., Ltd.

December 31,  
2025

Unit of  
currency:  
RMB  
yuan

Item	Notes	2025/12/31	2024/12/31
<b>current assets:</b>			
monetary capital	V.1	182,285,495.92	292,600,989.80
Deposit Reservation for Balance			
lending funds			
tradable financial assets			
derivative financial assets			
bill receivable	V.2	17,228,499.09	542,048.95
accounts receivable	V.3	323,586,922.02	293,535,326.34
Receivables financing	V.4	27,655,375.14	34,520,299.04
advance payment	V.5	3,455,153.02	2,227,763.86
receivable premium			
reinsurance accounts receivable			
provision of cession receivable			
receivable other	V.6	5,239,886.21	6,859,962.77



## consolidated balance sheet(Continued)

Compiling unit: Nanjing Putian Communication Co., Ltd.

December 31, 2025

Unit of currency: RMB yuan

Item	Notes	2025/12/31	2024/12/31
<b>current liabilities:</b>			
<b>short-term borrowing</b>	V.19	203,925,721.98	128,127,987.75
borrowings from central bank			
loans from other banks and other financial institutions			
trading financial liabilities			
Derivative financial liability			
notes payable	V.20	6,775,234.17	10,122,225.75
accounts payable	V.21	273,382,306.86	349,342,179.21
account collected in advance	V.22	295,001.06	236,005.32
Repayment of financial assets through sale and repurchase			
deposits from customers and interbank			
acting trading securities			
acting underwriting securities			
Contract liabilities	V.23	8,426,313.45	24,794,919.13
employee pay payable	V.24	12,622,282.49	17,066,962.98
tax payable	V.25	6,042,197.80	8,459,692.52
other payables	V.26	49,032,066.18	41,918,074.35
Covering handling fees and commissions			
Cession insurance premiums payable			
Liabilities Held for Sale			
Non-current liabilities due within one year	V.27	70,899,913.72	88,060,659.43
other current liability	V.28	10,920,413.23	3,125,042.32
<b>total current liability</b>		<b>642,321,450.94</b>	<b>671,253,748.76</b>
<b>non-current liability:</b>			
reserve fund for insurance contracts			
money borrowed for long term	V.29		70,000,000.00
bonds payable			

Among them: Preferred stock			
perpetual bond			
lease liability	V.30		840,373.96
long-term payable			
Long-term employee compensation payable			
anticipation liabilities			
deferred income			
deferred income tax liabilities			
other non-current liabilities			
<b>total non-current liabilities</b>			<b>70,840,373.96</b>
<b>total liability</b>		<b>642,321,450.94</b>	<b>742,094,122.72</b>
<b>stockholders' equity:</b>			
capital stock	V.31	215,000,000.00	215,000,000.00
other equity instruments			
Among them: Preferred stock			
perpetual bond			
Capital Reserve	V.32	201,318,128.61	197,955,867.58
Subtract: Treasury Stock	V.33	2,995,076.96	2,995,076.96
other comprehensive income	V.34	-1,854,910.00	-1,854,910.00
reasonable reserve			
Surplus Reserve	V.35	589,559.77	589,559.77
General Risk Reserve			
undistributed profit	V.36	-403,806,789.70	-394,344,427.37
Total shareholders' equity attributable to the parent company		8,250,911.72	14,351,013.02
minority stockholder's interest		79,351,234.31	81,578,628.02
<b>Total Shareholders' Equity</b>		<b>87,602,146.03</b>	<b>95,929,641.04</b>
<b>Total liabilities and shareholders' equity</b>		<b>729,923,596.97</b>	<b>838,023,763.76</b>

(The attached financial statement notes are an integral part of this financial statement.)

Legal Representative: \_\_\_\_\_ counting  
Director: \_\_\_\_\_ Accounting Manager:

## balance sheet

Compiling unit: Nanjing Putian Communication Co., Ltd.

December 31, 2025

Unit of currency: RMB yuan

Item	Notes	2025/12/31	2024/12/31
<b>current assets:</b>			
monetary capital		36,959,492.02	76,313,327.62
tradable financial assets			
derivative financial assets			
bill receivable		510,041.40	
accounts receivable	XV.1	60,911,892.03	80,557,834.64
Receivables financing			
advance payment		1,077,733.24	1,238,241.47
receivable other	XV.2	30,491,285.66	22,894,075.34
stock		6,084,321.32	12,704,303.71
Contract assets			
Assets Held for Sale			
Non-current assets due within one year			
other current assets		684,787.04	141,091.78
<b>Total current assets</b>		<b>136,719,552.71</b>	<b>193,848,874.56</b>
<b>non-current assets:</b>			
Debt investment			
other investment on bonds			
long-term receivables			
long-term equity investment	XV.3	41,931,948.52	52,344,631.89
Other equity instrument investments		741,953.00	741,953.00
Other non-current financial assets			
investment real estate			
fixed assets		33,285,551.38	35,919,673.67
construction in process			
productive biological asset			
oil and gas assets			
right-of-use asset		2,187,184.72	2,447,793.04
intangible assets		3,898,367.83	4,023,784.51





Taxes and surcharges	V.38	3,827,452.67	6,128,112.45
selling expenses	V.39	55,636,075.45	71,756,768.98
Administrative Expenses	V.40	43,658,123.43	62,275,909.90
R&D expenses	V.41	29,208,797.71	34,850,835.24
Financial Expenses	V.42	8,597,553.21	10,163,792.27
Among them: Interest expense		8,748,305.48	10,723,524.38
interest income		452,186.54	639,938.05
Add: Other income	V.43	4,600,883.38	2,783,558.31
Investment income (losses are indicated by a "-" sign)	V.44	8,038,145.41	52,296,543.73
Among them: Investment income from associated enterprises and joint ventures		7,389,042.29	-5.77
Gain from the derecognition of financial assets measured at amortized cost			
Exchange gains (losses are indicated by a "-" sign)			
Net exposure hedging gain (loss is filled with a "-" sign)			
Fair value change gain (loss, filled with "-" sign for losses)			
Credit impairment loss (losses are filled in with a "-" sign)	V.45	-6,979,118.96	-7,634,385.51
Asset impairment loss (losses are filled in with a "-" sign)	V.46	-2,237,689.03	-14,428,752.85
Asset Disposal Gain/Loss (Losses are indicated by a "-" sign)	V.47	5,359,026.59	1,083,098.78
<b>III. Operating Profit (Losses are indicated by a "-" sign)</b>		<b>-2,027,667.07</b>	<b>25,370,440.98</b>
Add: Non-operating Income	V.48	3,000,746.99	3,583,432.03
Less: Non-operating expenses	V.49	522,903.55	3,667,282.29
<b>IV. Total Profit (Losses are indicated by a "-" sign)</b>		<b>450,176.37</b>	<b>25,286,590.72</b>
Less: Income Tax Expense	V.50	1,358,420.50	3,180,305.05
<b>V. Net Profit (Net Loss is indicated by a "-" sign)</b>		<b>-908,244.13</b>	<b>22,106,285.67</b>
(I) Classified by the duration of operation:			
1、 Continuing operations net profit (net loss is indicated by a "-" sign)		-908,244.13	22,106,285.67
2、 Net profit (net loss is indicated by a "-" sign) from discontinued operations			
(II) Classified by ownership:			
1、 Net profit attributable to shareholders of the parent company (net loss is indicated by a "-" sign)		-9,462,362.33	11,376,879.14
2、 Minority Shareholders' Loss (Net Loss is indicated by a "-" sign)		8,554,118.20	10,729,406.53
<b>VI. Net amount of other comprehensive income after tax</b>			
(I)The after-tax net amount of other comprehensive income attributable to the parent company's owners			



selling expenses		3,674,575.83	5,885,830.63
Administrative Expenses		25,515,609.72	35,234,907.10
R&D expenses			
Financial Expenses		6,658,472.07	7,232,295.87
Among them: Interest expense		6,670,688.91	7,606,119.33
interest income		220,347.93	382,125.01
Add: Other income		10,310.52	59,574.65
Investment income (losses are indicated by a "-" sign)	XV.5	17,318,129.12	60,475,665.77
Among them: Investment income from associated enterprises and joint ventures		7,389,042.29	-5.77
Gain from the derecognition of financial assets measured at amortized cost			
Net exposure hedging gain (loss is filled with a "-" sign)			
Fair value change gain (loss, filled with "-" sign for losses)			
Credit impairment loss (losses are filled in with a "-" sign)		-4,992,463.96	-6,023,378.69
Asset impairment loss (losses are filled in with a "-" sign)		-2,131,109.47	-13,635,478.79
Asset Disposal Gain/Loss (Losses are indicated by a "-" sign)		5,372,239.34	1,090,467.64
<b>II. Operating Profit (Losses are indicated by a "-" sign)</b>		<b>-12,297,131.54</b>	<b>-1,178,254.98</b>
Add: Non-operating Income		2,543,328.14	520,587.01
Less: Non-operating expenses		474,076.43	2,989,716.65
<b>III. Total Profit (Losses are indicated by a "-" sign)</b>		<b>-10,227,879.83</b>	<b>-3,647,384.62</b>
Less: Income Tax Expense			
<b>IV. Net Profit (Net Loss is indicated by a "-" sign)</b>		<b>-10,227,879.83</b>	<b>-3,647,384.62</b>
(I) Continuing operations net profit (net loss is indicated by a "-" sign)		-10,227,879.83	-3,647,384.62
(II) Net profit (net loss is indicated by a "-" sign) from discontinued operations			
<b>V. Net amount of other comprehensive income after tax</b>			
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1.Re-measurement of the changes in defined benefit plans			
2.Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3.Changes in the fair value of other equity instruments investments			
4.Fair value changes of the enterprise's own credit risk			
5.else			
(II) Other comprehensive income that is reclassified into profit or loss			



assets, intangible assets and other long-term assets			
Net increase in pledged loan amount			
Net cash received from subsidiaries and other operating units			
Pay other cash related to investment activities			405,500.00
<b>Total cash outflows from investment activities</b>		<b>3,193,809.83</b>	<b>3,407,560.46</b>
<b>Net cash flow from investing activities</b>		<b>2,427,981.17</b>	<b>104,754,822.35</b>
<b>III. Cash Flows Generated from Financing Activities:</b>			
Cash received from absorbing investments			
Among them: Cash received from subsidiaries upon absorbing investments from minority shareholders			
Cash received from borrowing funds		202,614,067.87	154,800,000.00
Cash received from borrowing funds			
<b>Total cash inflows from financing activities</b>		<b>202,614,067.87</b>	<b>154,800,000.00</b>
Cash paid for repaying debts		214,800,000.00	87,800,000.00
Cash paid for distributing dividends, profits or paying interest		9,952,937.68	26,496,552.22
Among them: Dividends and profits paid by the subsidiary to the minority shareholders			14,846,600.00
Cash paid for other activities related to financing		1,287,438.87	3,914,258.88
<b>Total cash outflows from financing activities</b>		<b>226,040,376.55</b>	<b>118,210,811.10</b>
<b>Net cash flow from financing activities</b>		<b>-23,426,308.68</b>	<b>36,589,188.90</b>
<b>IV. Impact of Exchange Rate Fluctuations on Cash and Cash Equivalents</b>		-4,867.97	2,715.47
<b>V. Net increase in cash and cash equivalents</b>		-108,276,466.07	124,150,384.32
Add: Initial balance of cash and cash equivalents		288,328,064.43	164,177,680.11
<b>VI. Balance of Cash and Cash Equivalents at the End of the Period</b>		<b>180,051,598.36</b>	<b>288,328,064.43</b>

(The attached financial statement notes are an integral part of this financial statement.)

Legal Representative: \_\_\_\_\_ counting  
Director: \_\_\_\_\_ Accounting Manager: \_\_\_\_\_

## statement of cash flow

Compiling unit: Nanjing Putian Communication Co., Ltd.

The year  
2025

Unit of currency:  
RMB yuan

Item	Notes	2025/12/31	2024/12/31
<b>I. Cash flows from operating activities:</b>			
Cash received from the sale of goods and provision of services		58,815,560.83	57,362,046.42
refund of tax and levies			
Received other cash related to business operations		7,723,066.79	26,712,333.46
<b>Total Cash Inflow from Operating Activities</b>		<b>66,538,627.62</b>	<b>84,074,379.88</b>
Cash paid for the purchase of goods and the receipt of services		40,092,496.37	87,124,609.23
Cash paid to employees and for the benefit of employees		33,154,872.88	35,981,718.30

All sort fees as follow		4,351,257.54	3,123,122.39
Cash paid for other activities related to business operations		9,263,972.07	11,943,256.10
<b>Total cash outflows from operating activities</b>		<b>86,862,598.86</b>	<b>138,172,706.02</b>
<b>Net cash flow from operating activities</b>		<b>-20,323,971.24</b>	<b>-54,098,326.14</b>
<b>II. Cash flows from investing activities:</b>			
Cash received from the withdrawal of investment			110,884,500.00
Cash received from investment income			9,153,400.00
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets		5,553,791.00	
Net cash received from the disposal of subsidiaries and other business units			
Received other cash related to investment activities			
<b>Total Cash Inflow from Investment Activities</b>		<b>5,553,791.00</b>	<b>120,037,900.00</b>
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		349,900.00	1,288,004.20
Cash paid for investment			
Pay other cash related to investment activities			405,500.00
<b>Total cash outflows from investment activities</b>		<b>349,900.00</b>	<b>1,693,504.20</b>
<b>Net cash flow from investing activities</b>		<b>5,203,891.00</b>	<b>118,344,395.80</b>
<b>III. Cash Flows Generated from Financing Activities:</b>			
Cash received from absorbing investments			
Cash received from borrowing funds		101,564,067.87	30,000,000.00
Cash received from borrowing funds			
<b>Total cash inflows from financing activities</b>		<b>101,564,067.87</b>	<b>30,000,000.00</b>
Cash paid for repaying debts		116,800,000.00	19,000,000.00
Cash paid for distributing dividends, profits or paying interest		7,854,627.18	8,675,468.55
Cash paid for other activities related to financing		1,287,438.87	3,914,258.88
<b>Total cash outflows from financing activities</b>		<b>125,942,066.05</b>	<b>31,589,727.43</b>
<b>Net cash flow from financing activities</b>		<b>-24,377,998.18</b>	<b>-1,589,727.43</b>
<b>IV. Impact of Exchange Rate Fluctuations on Cash and Cash Equivalents</b>		<b>-4,867.97</b>	<b>2,715.47</b>
<b>V. Net increase in cash and cash equivalents</b>		<b>-39,502,946.39</b>	<b>62,659,057.70</b>
Add: Initial balance of cash and cash equivalents		76,018,337.62	13,359,279.92
<b>VI. Balance of Cash and Cash Equivalents at the End of the Period</b>		<b>36,515,391.23</b>	<b>76,018,337.62</b>

(The attached financial statement notes are an integral part of this financial statement.)

Legal Representative: \_\_\_\_\_ counting  
Director: \_\_\_\_\_ Accounting Manager:

Consolidated Statement of Changes in Shareholders' Equity  
The year 2025

Unit of currency: RMB yuan

Item	current amount										Total owner's equity	
	Paid-in capital (or equity)		Equity attributable to parent company			Equity attributable to subsidiary			Minority shareholder's equity	Total owner's equity		
	Preferred stock	Other equity instruments	Capital reserve	Reserve treasury stocks	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profit				Subtotal
I. Balance at the end of the previous year	215,000,000.00		17,955,867.59		17,955,867.59	2,995,076.96			589,559.77	14,351,813.00	81,578,638.00	95,929,641.00
Add: Accounting policy change												
Preliminary error correction												
Other												
II. Balance at the beginning of this year	215,000,000.00		17,955,867.59		17,955,867.59	2,995,076.96	-1,854,910.00		589,559.77	14,351,813.00	81,578,638.00	95,929,641.00
III. Current period increase and decrease amounts (decreases are indicated by a "-")												
(I) Total Comprehensive Income												
1. Capital Contribution and Reduction by Shareholders												
1. Common stocks issued by shareholders												
2. Other equity instrument holder's investment in capital												
3. The amount included in shareholder's equity from share-based payments												
4. Other												
(C) Profit Distribution												
1. Withdrawal surplus reserve												
2. Extract general risk reserve												
3. Distribution to shareholders												
4. Other												
(4) Internal transfer of shareholder's equity												
1. Conversion of capital reserve into share capital												
2. Contribution of surplus reserve to share capital												
3. Surplus reserve to other losses												
4. Annual plan changes are carried forward to retained earnings												
5. Other comprehensive income is transferred to retained earnings												
6. Other												
(G) Special reserve												
1. This item extracted												
2. This item used												
(G) other												
IV. The balance at the end of this year	215,000,000.00		17,955,867.59		17,955,867.59	2,995,076.96	-1,854,910.00		589,559.77	14,351,813.00	81,578,638.00	95,929,641.00

(The attached financial statement notes are an integral part of this financial statement)  
Legal Representative: \_\_\_\_\_ Accounting Manager: \_\_\_\_\_  
Company Director: \_\_\_\_\_

Consolidated Statement of Changes in Shareholders' Equity (Continued)  
The year 2025

Items	Unit of currency: RMB yuan											
	Parent company					Subsidiary					Total owner's equity	
	Paid-in capital (or equity)	Preferred stock	Other equity instruments	Capital reserve	Less treasury stocks	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profit	Minority shareholders' equity		
I. Balance at the end of the previous year	315,000,000.00			177,877,915.00		-1,254,310.00		585,553.77	-48,571,266.51	5,111,338.64	78,798,076.44	831,172,818.18
Add: Accounting policy change												
Prioritary error correction												
II. Balance at the beginning of this year	315,000,000.00			177,877,915.00		-1,254,310.00		585,553.77	-48,571,266.51	5,111,338.64	78,798,076.44	831,172,818.18
III. Current period increase and decrease amounts (decrease are indicated by a "-")												
(I) Total Comprehensive Income												
(II) Capital Contributions and Reduction by Shareholders												
1. Common stocks issued by shareholders				87,333.13	2,793,676.96				11,274,678.14	3,337,724.34	2,378,811.29	13,197,968.34
2. Other equity instruments holders' investments in capital				87,333.13	2,793,676.96				11,274,678.14	3,337,724.34	2,378,811.29	13,197,968.34
3. The amount included in shareholders' equity from short-term investments												
4. other												
(3) Profit Distribution												
1. withdrawal surplus reserves				87,333.13								
2. Extract general risk reserve												
3. Distribution to shareholders												
4. other												
(4) Internal transfer of shareholders' equity												
1. Conversion of capital reserves into share capital				87,333.13								
2. Contribution of surplus reserves to share capital												
3. Surplus reserves to cover losses												
4. Accrual plan change are carried forward to retained earnings												
5. Other comprehensive income is transferred to retained earnings												
6. other												
(5) Special reserve												
1. This issue extracted												
2. This issue used												
(6) other												
IV. The balance at the end of this year	315,000,000.00			177,935,847.59	2,795,776.96	-1,254,310.00		585,553.77	-37,296,588.37	14,019,113.00	81,576,887.73	857,748,441.41

Accounting Manager:

Accounting Manager:

(The attached financial statement notes are an integral part of this financial statement)

Legal Representative:

Consolidated statement of change of equity  
The year 2025

Compiling unit: Nanjing Putian Telecommunications Co., Ltd. Unit of currency: RMB yuan

Item	Paid-in capital (or equity)		Other equity instruments		Capital reserve		Less: treasury stocks	Other comprehensive income	Special reserves	Surplus reserve	undistributed profit	Total owner's equity
	215,000,000.00		Preferred stock	Perpetual bond	other	158,864,042.34						
I. Balance at the end of the previous year										589,559.76	-486,533,211.13	-116,919,595.59
Add: Accounting policy change												
Preliminary error correction												
other												
II. Balance at the beginning of this year	215,000,000.00					158,864,042.34	2,995,076.96	-1,854,910.00		589,559.76	-486,533,211.13	-116,919,595.59
III. Current period increase and decrease amounts (decrease are indicated by a "-")												
(1) Total Comprehensive Income												
(2) Capital Contribution and Reduction by Shareholders												
1.Common stocks issued by shareholders												
2.Other equity instrument holders' investment in capital												
3.The amount included in shareholder's equity from share-based payments												
4.other												
(3) Profit Distribution												
1.withdrawal surplus reserves												
2.Earned general risk reserve												
3.Distribution to shareholders												
4.other												
(4) Internal transfer of shareholders' equity												
1.Conversion of capital reserve into share capital												
2.Contribution of surplus reserve to share capital												
3.Surplus reserve to cover losses												
4.Accrual plan changes are carried forward to retained earnings												
5.Other comprehensive income is transferred to retained earnings												
6.other												
(5) Special reserve												
1.This issue extracted												
2.This issue uses												
(6) other												
	215,000,000.00					158,864,042.34	2,995,076.96	-1,854,910.00		589,559.76	-486,533,211.13	-116,919,595.59

(The attached financial statement notes are an integral part of this financial statement.)

Legal Representative:

Accounting Director:

Accounting Manager:

**Consolidated statement of change of equity (Continued)**  
The year 2025

Item	Paid-in capital (or equity)		Other equity instruments		Capital reserve		Less: treasury stocks		Other comprehensive income	Special reserves	Surplus reserve	undistributed profit	Total owner's equity
	215,000,000.00	other	Preferred stock	Perpetual bond	other	158,864,042.34	2,995,076.96	2,995,076.96					
I. Balance at the end of the previous year	215,000,000.00					158,864,042.34			-1,854,910.00		589,559.76	-482,885,874.51	-116,287,134.41
Add: Accounting policy change													
Preliminary error correction													
other													
II. Balance at the beginning of this year	215,000,000.00					158,864,042.34	2,995,076.96		-1,854,910.00		589,559.76	-482,885,874.51	-116,287,134.41
III. Current period increase and decrease amounts (decreases are indicated by a "-")													
(I) Total Comprehensive Income													
(2) Capital Contributions and Reduction by Shareholders													
1. Common stocks invested by shareholders													
2. Other equity instrument holders' investment in capital													
3. The amount included in shareholders' equity from share-based payments													
4. other													
(3) Profit Distribution													
1. withdrawal surplus reserves													
2. Extract general risk reserve													
3. Distribution to shareholders													
4. other													
(4) Internal transfer of shareholders' equity													
1. Conversion of capital reserve into share capital													
2. Contribution of surplus reserve to share capital													
3. Surplus reserve to cover losses													
4. Annual plan changes are carried forward to retained earnings													
5. Other comprehensive income is transferred to retained earnings													
6. other													
(5) Special reserve													
1. This issue extracted													
2. This issue uses													
(6) other													
	215,000,000.00					158,864,042.34	2,995,076.96		-1,854,910.00		589,559.76	-486,533,211.13	-116,979,595.96

(The attached financial statement notes are an integral part of this financial statement.)

Legal Representative:

Accounting Director:

Accounting Manager:

# **Nanjing Putian Communication Co., Ltd.**

## **Notes to the 2025 Financial Statements**

**(Unless otherwise specified, the amount is in RMB yuan)**

### **I. Company Overview**

#### **1、 Company registration address, organizational structure, and headquarters address**

Nanjing Putian Communication Co., Ltd. (hereinafter referred to as the Company) originated from the Nanjing Communication Equipment Factory under the Ministry of Posts and Telecommunications. On March 21, 1997, the State Economic System Reform Commission approved its establishment as a joint-stock company through a public offering, as documented in Document No.28 [1997]. The Company was registered with the Nanjing Administration for Industry and Commerce on May 18, 1997, with its headquarters located in Nanjing, Jiangsu Province. It holds a business license with the Unified Social Credit Code 91320000134878054G, a registered capital of RMB 215,000,000.00, and a total of 215,000,000 shares (each with a par value of RMB 1). This includes 115,000,000 state-owned legal person shares and 100,000,000 B-shares. The Company's shares were listed for trading on the Shenzhen Stock Exchange on May 22, 1997.

#### **2、 The main business activities actually engaged in by the company**

Our company operates in the telecommunications equipment manufacturing sector. Our primary business activities include: research, development, manufacturing, processing, and sales of data communication, wired and wireless communication products, distribution and wiring communication products, electronic products, multimedia computers, digital television systems, automotive electronics, and high/low-voltage electrical switchgear; development, production, and distribution of new energy vehicle charging solutions and components (including EV chargers, charging modules, charging station systems, modular charging cabinets, outdoor integrated charging stations, AC/DC charging piles, and related accessories); design and provision of comprehensive new energy charging/discharging solutions; operation and maintenance of EV charging infrastructure; development and sales of software and intelligent software platforms; IT services for smart city and elderly care applications; R&D, manufacturing, sales, installation, and technical support for video equipment and video conferencing systems; agency sales of communication-modified vehicles (excluding wholesale) with corresponding after-sales services; design, system integration, and consulting services for communication networks and computer information systems; design, construction, installation, and maintenance of intelligent building systems; and leasing of owned assets such as properties and equipment.

#### **3、 Approval and issuance of financial reports**

This financial statement has been approved by the Company's Board of Directors on April 22, 2026, for public release.

## **II. Basis for Preparing Financial Statements**

### **1. Preparation Basis**

The financial statements of our company are prepared on a going concern basis, based on actual transactions and events, in accordance with the Accounting Standards for Business Enterprises – Basic Standards issued by the Ministry of Finance, various specific accounting standards, the Application Guidelines for Accounting Standards for Business Enterprises, the Interpretations of Accounting Standards for Business Enterprises, and other relevant regulations (collectively referred to as the "Accounting Standards for Business Enterprises"), as well as the provisions of the China Securities Regulatory Commission's Rules for the Preparation and Reporting of Information Disclosure by Companies Issuing Securities Publicly No.15 – General Provisions for Financial Reports (2023 Revision).

In accordance with the relevant provisions of the Enterprise Accounting Standards, the Company's accounting practices are based on the accrual basis. With the exception of certain financial instruments, all financial statements are measured at historical cost. Where asset impairment occurs, corresponding impairment provisions are recognized in accordance with applicable regulations.

### **2. Continuing Operations**

This financial statement is prepared on a going concern basis, and the Company has maintained its ability to continue as a going concern for at least 12 months from the end of the reporting period.

## **III. Key Accounting Policies and Accounting Estimates**

The Company and its subsidiaries operate in the telecommunications equipment manufacturing industry. In accordance with the actual characteristics of their production and operations and the relevant accounting standards, the Company and its subsidiaries have established specific accounting policies and estimates for various transactions and events, as detailed below.

### **1. Statement of Compliance with Enterprise Accounting Standards**

The financial statements prepared by the Company comply with the requirements of the Enterprise Accounting Standards and provide an accurate and complete reflection of the Company's consolidated and parent company financial position as of December 31, 2025, as well as the consolidated and parent company operating results and consolidated and parent company cash flows for the year 2025.

### **2. Accounting Period**

The Company's accounting periods are divided into annual and interim periods, with the interim period referring to a reporting period shorter than a full fiscal year. The Company adopts the Gregorian calendar year for its fiscal year, which runs from January 1 to December 31 each year.

### **3. Business Cycle**

The company adopts a 12-month period as its operating cycle and uses it as the criterion for classifying the liquidity of its assets and liabilities.

#### **4. Bookkeeping Currency**

The Renminbi (RMB) serves as the currency used in the primary economic environment in which the Company and its domestic subsidiaries operate, and both the Company and its domestic subsidiaries adopt the RMB as their accounting currency. The currency employed by the Company in preparing these financial statements is the Renminbi.

#### **5. Accounting treatment methods for business combinations under common control and outside common control**

A business combination refers to a transaction or event in which two or more separate entities merge to form a single reporting entity. Business combinations are classified into combinations under common control and combinations not under common control.

##### **(1) Business combinations under common control**

Enterprises participating in a merger are both subject to the ultimate control of the same party or the same multiple parties before and after the merger, and such control is not temporary; thus, it constitutes a merger under common control. In a merger under common control, the party that obtains control of the other participating enterprises on the merger date is the merging party, while the other participating enterprises are the merged parties. The merger date refers to the actual date on which the merging party obtains control of the merged parties.

The assets and liabilities acquired by the enterprise in a business combination are measured at the carrying values of the acquired entity's assets and liabilities (including goodwill formed by the ultimate controlling party's acquisition of the acquired entity) as presented in the ultimate controlling party's consolidated financial statements on the combination date. The difference between the carrying value of the acquired net assets and the carrying value of the consideration paid for the combination (or the total par value of the issued shares) shall be adjusted against the share capital premium in the capital reserve; if the share capital premium in the capital reserve is insufficient to cover the reduction, the retained earnings shall be adjusted accordingly.

The direct costs incurred by the merging party in carrying out the business combination shall be recognized in profit or loss of the current period at the time of occurrence.

##### **(2) Business combinations under different controls**

A business combination is classified as a non-same-control combination if the participating enterprises are not ultimately controlled by the same party or the same group of parties before and after the combination. In a non-same-control combination, the party that obtains control of the other participating enterprises on the acquisition date is the acquirer, while the other participating enterprises are the

acquirees. The acquisition date refers to the date when the acquirer actually gains control over the acquirees.

For business combinations under different controls, the combination cost includes: the fair value of assets acquired by the acquirer on the acquisition date to obtain control over the acquiree; liabilities incurred or assumed; equity securities issued; audit fees, legal services, valuation consulting fees, and other administrative expenses incurred during the combination, which are recognized in profit or loss at their occurrence; transaction costs of equity or debt securities issued by the acquirer as consideration for the combination, which are included in the initial recognition amount of such securities; contingent consideration measured at its fair value on the acquisition date and included in the combination cost; and any adjustments to contingent consideration required if new or additional evidence of conditions existing at the acquisition date emerges within 12 months post-acquisition, which are reflected in the corresponding adjustment to goodwill. The combination cost incurred by the acquirer and the identifiable net assets acquired in the combination are measured at their fair values on the acquisition date. The difference between the combination cost and the acquirer's share of the fair value of the acquiree's identifiable net assets on the acquisition date is recognized as goodwill. If the combination cost is less than the acquirer's share of the fair value of the acquiree's identifiable net assets, the fair values of all identifiable assets, liabilities, and contingent liabilities of the acquiree, along with the combination cost itself, are re-examined. Should the re-examined combination cost remain lower than the acquirer's share of the fair value of the acquiree's identifiable net assets, the difference is recognized in profit or loss.

When the purchasing party acquires the deductible temporary differences of the purchased party that were not recognized on the acquisition date due to non-compliance with the recognition criteria for deferred tax assets, if new or additional information obtained within 12 months after the acquisition date indicates that the relevant circumstances existed on the acquisition date and that the economic benefits arising from the deductible temporary differences are expected to materialize, the relevant deferred tax assets shall be recognized while reducing goodwill. If goodwill is insufficient to cover the reduction, the difference shall be recognized in profit or loss for the period. In all other cases, deferred tax assets related to business combinations shall be recognized and recognized in profit or loss for the period.

For business combinations under different controls that are implemented through multiple transactions in stages and classified as "package transactions," accounting treatment shall be conducted in accordance with the descriptions in the preceding paragraphs of this section and Note 3, Section 13, "Long-term Equity Investments." For combinations not classified as "package transactions," separate accounting treatments shall be applied to the individual financial statements and the consolidated financial statements.

In specific financial statements, the initial investment cost of an investment is determined by the sum

of the carrying amount of the equity investment held in the acquiree prior to the acquisition date and the additional investment cost incurred on that date. If the equity held in the acquiree prior to the acquisition date involves other comprehensive income, the related other comprehensive income shall be accounted for upon disposal of the investment using the same basis as would be applied when the acquiree directly disposes of its assets or liabilities (i.e., except for the corresponding share of changes resulting from the re-measurement of the defined benefit plan's net liability or net asset under the equity method, the remainder is recognized in current period investment income).

In the consolidated financial statements, equity held in the acquiree prior to the acquisition date shall be remeasured at its fair value on that date, with the difference between the fair value and the carrying amount recognized in current period investment income. Where such equity involves other comprehensive income, the corresponding other comprehensive income shall be accounted for using the same basis as would apply to the acquiree's direct disposal of related assets or liabilities (i.e., except for the corresponding share of changes in the net liability or net asset of the defined benefit plan resulting from its remeasurement under the equity method, the remainder shall be recognized in current period investment income attributable to the acquisition date).

## **6. Criteria for Control Assessment and Methods for Preparing Consolidated Financial Statements**

### **(1) Criteria for Control Determination**

The consolidation scope for financial statements is determined on a control basis. Control is defined as the Company's possession of authority over the investee, enjoyment of variable returns through participation in the investee's relevant activities, and the ability to influence the amount of such returns through the exercise of such authority. This typically includes investee entities in which the parent company holds more than half of the voting rights, and cases where the Company, although holding less than half of the voting rights, through agreements with other investors of the investee, holds more than half of the voting rights; the Company's authority under its articles of association or agreements to make financial and operational decisions for the investee; its right to appoint or remove a majority of the members of the investee's board of directors; and its control over the majority of voting rights in the investee's board of directors.

### **(2) Methodology for preparing consolidated financial statements**

From the date when the Company obtains actual control over the net assets and operational decision-making rights of a subsidiary, it begins to include the subsidiary within its consolidated financial statements; the inclusion ceases upon loss of actual control. For subsidiaries disposed of, the operating results and cash flows prior to the disposal date have been appropriately reflected in the consolidated income statement and consolidated cash flow statement; for subsidiaries disposed of during the current

period, no adjustments are made to the opening balances of the consolidated balance sheet. For subsidiaries acquired in business combinations under different controls, their operating results and cash flows after the acquisition date have been properly included in the consolidated income statement and consolidated cash flow statement, with no adjustments required to the opening balances or comparative figures of the consolidated financial statements. For subsidiaries acquired in business combinations under common control, their operating results and cash flows from the beginning of the period prior to the merger to the merger date have been appropriately reflected in the consolidated income statement and consolidated cash flow statement, with corresponding adjustments made to the comparative figures of the consolidated financial statements.

When preparing consolidated financial statements, if the accounting policies or accounting periods used by the subsidiary differ from those of the parent company, the subsidiary's financial statements shall be adjusted in accordance with the parent company's accounting policies and periods. For subsidiaries acquired through business combinations under different controls, their financial statements shall be adjusted based on the fair value of the identifiable net assets on the acquisition date.

All significant intercompany balances, transactions, and unrealized profits are offset when preparing the consolidated financial statements.

The portion of the subsidiary's shareholders' equity and current net profit/loss not attributable to the parent company is separately presented as minority interest and minority interest income under shareholders' equity and net profit in the consolidated financial statements. The share of the subsidiary's current net profit/loss attributable to minority interests is disclosed under the "minority interest income" item within the net profit line item of the consolidated income statement. If the loss attributable to minority interests exceeds their share of the subsidiary's beginning shareholders' equity, this difference is still recorded as a reduction in minority interest.

When control over an original subsidiary is lost due to the disposal of partial equity investments or other reasons, the remaining equity interests shall be remeasured at their fair value on the date of loss of control. The difference between the consideration received from the equity disposal and the fair value of the remaining equity interests, minus the share of the subsidiary's net assets accumulated continuously from the acquisition date calculated based on the original equity ratio, shall be recognized as investment income for the period of loss of control. Other comprehensive income related to the original equity investment shall be accounted for at the same basis as the direct disposal of the acquired party's assets or liabilities (i.e., all amounts except those arising from changes in the net liability or net assets of the original beneficial plan upon remeasurement) shall be transferred to current investment income. Subsequently, the remaining equity interests shall be measured in accordance with applicable accounting standards such as Accounting Standard for Business Enterprises No.2 – Long-term Equity Investments or

Accounting Standard for Business Enterprises No.22 – Recognition and Measurement of Financial Instruments, as detailed in Note 3, Section 13 "Long-term Equity Investments" or Note 3, Section 10 "Financial Instruments."

When a company gradually disposes of its equity investments in subsidiaries through multiple transactions until losing control, it must determine whether each transaction constitutes a package transaction. The terms, conditions, and economic impacts of these individual transactions typically meet one or more of the following criteria, indicating that they should be accounted for as a package transaction: ① The transactions were executed simultaneously or with mutual consideration; ② The transactions collectively achieve a complete commercial outcome; ③ The occurrence of one transaction depends on the occurrence of at least one other transaction; ④ An individual transaction is uneconomical but becomes economical when considered collectively with other transactions. For transactions not constituting a package transaction, each transaction shall be accounted for separately using the principles applicable to "partial disposal of long-term equity investments in subsidiaries without loss of control" or "loss of control over an original subsidiary due to partial equity disposal or other reasons." When the transactions constitute a package transaction, they shall be accounted for as a single transaction involving subsidiary disposal and loss of control. However, any difference between the transaction price at each disposal stage prior to loss of control and the investor's share of the subsidiary's net assets shall be recognized as other comprehensive income in the consolidated financial statements and transferred to the profit or loss at the time of loss of control.

## **7. Classification of Joint Venture Arrangements and Accounting Treatment for Joint Operations**

A joint venture arrangement refers to an arrangement jointly controlled by two or more parties. Based on the rights and obligations it enjoys within such an arrangement, the Company classifies joint venture arrangements into joint operation arrangements and joint venture enterprises. A joint operation arrangement refers to one in which the Company holds the relevant assets and assumes the relevant liabilities; a joint venture enterprise refers to one in which the Company holds only the rights to the net assets of the arrangement.

The Company accounts for its investment in the joint venture using the equity method, in accordance with the accounting policy specified in Note 3, Section 13(2)(ii), "Long-term Equity Investments accounted for under the Equity Method."

As a joint venture partner in the joint operation, the Company recognizes the assets and liabilities solely held or borne by the Company, as well as the jointly held assets and jointly borne liabilities based on the Company's respective shares; recognizes the revenue generated from the sale of the Company's share of the joint operation's output; recognizes the revenue arising from the sale of output under the joint

operation based on the Company's share; and recognizes the expenses incurred solely by the Company, as well as the expenses incurred under the joint operation based on the Company's respective shares.

When the Company contributes or sells assets to the joint venture (such assets do not constitute business operations, the same applies hereinafter), or purchases assets from the joint venture, prior to the sale of such assets to a third party, the Company recognizes only the portion of the gains or losses arising from such transaction attributable to the other participating parties in the joint venture. If such assets incur asset impairment losses in accordance with the provisions of Accounting Standard for Business Enterprises No.8 – Asset Impairment, the Company recognizes the full amount of such loss for contributions or sales made by the Company to the joint venture, and recognizes the loss proportionally based on its share for purchases made from the joint venture.

#### **8. Criteria for Determining Cash and Cash Equivalents**

The Company's cash and cash equivalents consist of cash on hand, deposits readily available for payment, and investments held by the Company that are short-term (typically maturing within three months from the purchase date), highly liquid, easily convertible into a known amount of cash, and carry minimal value fluctuation risk.

#### **9. Foreign Currency Transactions**

##### **(1) Conversion method for foreign currency transactions**

Foreign currency transactions conducted by the Company are converted into the local currency amount at the spot exchange rate prevailing on the transaction date upon initial recognition. However, foreign currency exchange operations or transactions involving foreign currency exchange are converted into the local currency amount using the actual exchange rate applied.

##### **(2) Conversion methods for foreign currency monetary items and foreign currency non-monetary items**

On the balance sheet date, foreign currency monetary items are converted using the spot exchange rate prevailing at that date. The resulting exchange differences shall be recognized in profit or loss of the current period, except for: ① exchange differences arising from foreign currency special borrowings related to the acquisition or construction of assets meeting capitalization criteria, which are treated in accordance with the principle of capitalizing borrowing costs; ② exchange differences arising from changes in the carrying amounts of foreign currency monetary items available for sale (excluding the amortized cost), which are recognized in other comprehensive income.

Non-monetary foreign currency items measured at historical cost are measured in the accounting currency amount converted using the spot exchange rate on the transaction date. Non-monetary foreign currency items measured at fair value are converted using the spot exchange rate on the fair value determination date; the difference between the converted accounting currency amount and the original

accounting currency amount is recognized as fair value changes (including exchange rate fluctuations), which are recorded in current period profit or loss or recognized as other comprehensive income.

## **10. Financial Instruments**

A financial asset or financial liability is recognized when the company becomes a party to a financial instrument contract.

### **(1) Classification, Recognition and Measurement of Financial Assets**

Based on its business model for managing financial assets and the contractual cash flow characteristics of these assets, the Company categorizes financial assets into: financial assets measured at amortized cost; financial assets measured at fair value with changes recognized in other comprehensive income; and financial assets measured at fair value with changes recognized in profit or loss.

Financial assets are measured at fair value upon initial recognition. For financial assets measured at fair value with their changes recognized in profit or loss, related transaction costs are directly recognized in profit or loss; for other categories of financial assets, related transaction costs are included in the initial recognition amount. For accounts receivable or notes receivable arising from the sale of products or provision of services that do not contain or involve significant financing components, the Company recognizes the expected amount receivable as the initial recognition amount.

#### **① Financial assets measured at amortized cost**

The Company's business model for measuring financial assets at amortized cost is aimed at generating contractual cash flows. The cash flow characteristics of such financial assets align with standard lending arrangements, meaning that cash flows occurring on specific dates consist solely of principal payments and interest calculated on the outstanding principal amount. For these financial assets, the Company applies the effective interest method and subsequently measures them at amortized cost. Any gains or losses arising from amortization or impairment are recognized in profit or loss for the period.

#### **② Financial assets measured at fair value with changes recognized in other comprehensive income**

The Company's business model for managing such financial assets combines both the objective of collecting contractual cash flows and the objective of selling them, with the contractual cash flow characteristics of these financial assets aligning with those of the underlying loan arrangements. The Company measures such financial assets at fair value, with their changes recognized in other comprehensive income; however, impairment losses or gains, exchange gains or losses, and interest income calculated using the effective interest method are recognized in profit or loss for the period.

Furthermore, the Company classifies certain non-trading equity instrument investments as financial assets measured at fair value with their changes recognized in other comprehensive income. Dividend income from such financial assets is recognized in current period profit or loss, while fair value changes are recognized in other comprehensive income. Upon derecognition of these financial assets, any

cumulative gains or losses previously recognized in other comprehensive income are transferred to retained earnings and are no longer included in current period profit or loss.

③ Financial assets measured at fair value with changes recognized in profit or loss

The Company classifies the aforementioned financial assets measured at amortized cost and those financial assets measured at fair value with their changes recognized in other comprehensive income as financial assets measured at fair value with their changes recognized in current profit or loss. Furthermore, at initial recognition, to eliminate or significantly reduce accounting mismatches, the Company designates certain financial assets as financial assets measured at fair value with their changes recognized in current profit or loss. For such financial assets, the Company subsequently measures them at fair value, with fair value changes recognized in current profit or loss.

(2) Classification, Recognition and Measurement of Financial Liabilities

At initial recognition, financial liabilities are classified into financial liabilities measured at fair value through profit or loss and other financial liabilities. For financial liabilities measured at fair value through profit or loss, related transaction costs are directly recognized in profit or loss; for other financial liabilities, related transaction costs are included in their initial recognition amount.

① Financial liabilities measured at fair value with changes recognized in profit or loss

Financial liabilities measured at fair value with changes recognized in profit or loss include trading financial liabilities (including derivative instruments classified as financial liabilities) and those designated at initial recognition to be measured at fair value with changes recognized in profit or loss.

Subsequent measurement of transactional financial liabilities (including derivatives classified as financial liabilities) adopts fair value; except for portions related to hedge accounting, changes in fair value are recognized in current profit or loss.

Designated as financial liabilities measured at fair value with changes recognized in profit or loss, the fair value changes arising from the Company's own credit risk are recognized in other comprehensive income. Upon derecognition of such liabilities, the cumulative fair value changes attributable to the Company's own credit risk are transferred to retained earnings, while the remaining fair value changes are recognized in profit or loss. If applying this treatment would create or exacerbate accounting mismatches in the profit or loss, the Company shall recognize all gains or losses on these financial liabilities (including the impact of the Company's own credit risk changes) in profit or loss.

② Other financial liabilities

Other financial liabilities—excluding those arising from financial asset transfers that do not meet the criteria for derecognition or from continued involvement in the transferred financial assets, as well as financial guarantee contracts—are classified as financial liabilities measured at amortized cost. Such liabilities are subsequently measured at amortized cost, and any gains or losses resulting from

derecognition or amortization are recognized in profit or loss for the period.

### (3) Basis for Recognition and Measurement Methods of Financial Asset Transfers

A financial asset shall be derecognized if any of the following conditions is met: ① The contractual right to receive cash flows from the financial asset has terminated; ② The financial asset has been transferred, with nearly all risks and rewards associated with its ownership transferred to the transferee; ③ The financial asset has been transferred, and although the enterprise has neither transferred nor retained nearly all risks and rewards associated with its ownership, it has relinquished control over the financial asset.

If an enterprise neither transfers nor retains nearly all the risks and rewards associated with the ownership of a financial asset, nor relinquishes its control over that financial asset, then the relevant financial asset shall be recognized based on the extent of its continued involvement with the transferred financial asset, and the corresponding liability shall be recognized accordingly. The extent of continued involvement refers to the level of risk faced by the enterprise due to fluctuations in the value of the financial asset.

When the overall transfer of financial assets meets the conditions for derecognition, the difference between the carrying amount of the transferred financial assets and the consideration received from the transfer, and the cumulative fair value change previously recognized in other comprehensive income, shall be recognized in profit or loss for the period.

When partial transfer of financial assets meets the conditions for derecognition, the carrying amount of the transferred financial assets shall be allocated between the derecognized portion and the remaining portion based on their respective fair values. The difference between the consideration received from the transfer and the cumulative fair value changes originally recognized in other comprehensive income that are allocated to the derecognized portion, minus the allocated carrying amounts, shall be recognized in profit or loss for the period.

For financial assets sold with recourse or transferred by endorsement, the company must determine whether nearly all risks and rewards associated with ownership of the financial asset have been transferred. If nearly all risks and rewards associated with ownership have been transferred to the transferee, the recognition of the financial asset shall be terminated; if nearly all risks and rewards remain retained, the recognition shall not be terminated; if neither transfer nor retention of nearly all risks and rewards has occurred, the company shall continue to assess whether it retains control over the asset and apply the accounting treatment principles outlined in the preceding paragraphs.

### (4) Termination of Recognition of Financial Liabilities

When the current obligation under a financial liability (or a portion thereof) has been discharged, the Company derecognizes that financial liability (or that portion thereof). If the Company (the borrower)

enters into an agreement with the lender to replace the original financial liability with a new one, and the contractual terms of the new financial liability are substantially different from those of the original, the Company derecognizes the original financial liability and simultaneously recognizes a new financial liability. If the Company makes substantial modifications to the contractual terms of the original financial liability (or a portion thereof), the Company derecognizes the original financial liability and recognizes a new financial liability under the modified terms.

When financial liabilities (or a portion thereof) are derecognized, the Company recognizes the difference between their carrying amount and the consideration paid (including transferred non-cash assets or assumed liabilities) in profit or loss for the period.

#### (5) Offsetting of financial assets and financial liabilities

When the Company has a statutory right to offset recognized amounts of financial assets and financial liabilities, and such statutory right is currently enforceable, and the Company plans to settle the financial assets and settle the financial liabilities simultaneously at net value, the financial assets and financial liabilities shall be presented on the balance sheet at their net amount after mutual offset. Otherwise, financial assets and financial liabilities shall be presented separately on the balance sheet without mutual offset.

#### (6) Methods for determining the fair value of financial assets and financial liabilities

Fair value refers to the price that market participants would receive from selling an asset or pay to transfer a liability in an orderly transaction on the measurement date. Where financial instruments have active markets, the Company determines their fair value using quotes from such markets. Active market quotes are prices readily available periodically from exchanges, brokers, industry associations, and pricing service providers, reflecting actual market transactions conducted in fair dealing. For financial instruments without active markets, the Company employs valuation techniques to determine fair value. These techniques include referencing prices from recent market transactions conducted by knowledgeable and voluntary parties, referencing the current fair values of substantially similar financial instruments, applying the discounted cash flow method, and using option pricing models. In conducting valuations, the Company selects valuation techniques applicable under current circumstances and supported by sufficient available data and information, choosing input values consistent with those considered by market participants in transactions involving the relevant assets or liabilities, with priority given to observable inputs whenever possible. When observable inputs are unavailable or impractical to obtain, non-observable inputs are utilized.

### **11. Impairment of financial assets**

#### 1. Method for determining expected credit losses

The Company applies impairment accounting treatment and recognizes loss provisions for financial assets measured at amortized cost (including receivables), financial assets classified as measured at fair value with changes recognized in other comprehensive income (including receivables financing), and lease receivables, based on expected credit losses.

At each balance sheet date, the Company assesses whether the credit risk of relevant financial instruments has increased significantly since initial recognition. The process of credit impairment for financial instruments is divided into three stages, with distinct accounting treatment applied to impairments at each stage: (1) Stage 1: If the credit risk of a financial instrument has not increased significantly since initial recognition, the Company measures the loss provision based on the expected credit loss over the next 12 months and calculates interest income using its carrying amount (i.e., before impairment provision) and the actual interest rate; (2) Stage 2: If the credit risk has increased significantly since initial recognition but no credit impairment has occurred, the Company measures the loss provision based on the expected credit loss over the entire life of the financial instrument and calculates interest income using its carrying amount and the actual interest rate; (3) Stage 3: If credit impairment occurs after initial recognition, the Company measures the loss provision based on the expected credit loss over the entire life of the financial instrument and calculates interest income using its amortized cost (carrying amount minus the accrued impairment provision) and the actual interest rate.

(1) Method for measuring loss provisions for financial instruments with lower credit risk

For financial instruments with low credit risk at the balance sheet date, the Company may refrain from comparing them with their credit risk at initial recognition and instead directly assume that the credit risk of such instruments has not increased significantly since initial recognition.

If a financial instrument carries low default risk, the debtor demonstrates strong short-term capacity to meet its contractual cash flow obligations, and even adverse economic or operational conditions over an extended period do not necessarily impair the borrower's ability to fulfill these obligations, the instrument is considered to have low credit risk.

(2) Method for measuring loss provisions for accounts receivable and lease receivables

① Receivables without significant financing components. For receivables arising from transactions governed by Accounting Standard for Business Enterprises No.14 – Revenue that do not contain significant financing components, the Company adopts a simplified approach, measuring loss provisions consistently based on expected credit losses over the entire life cycle.

Based on the nature of financial instruments, the Company assesses whether credit risk has increased significantly by evaluating individual financial assets or portfolios thereof. Receivable notes and accounts receivable are categorized into specific portfolios according to their credit risk characteristics, and expected credit losses are calculated on a portfolio basis. The criteria for portfolio determination are as follows:

accounts receivable portfolio 1: Portfolio of related parties within the consolidated scope

Accounts Receivable Portfolio 2: Age Group Portfolio

receivables bill portfolio 1: receivable bank acceptance bills

receivables bill portfolio 2: Commercial acceptance bills receivable

For accounts receivable classified as portfolios, the Company refers to historical credit loss experience, combined with the current situation and forecasts for future economic conditions, to prepare a comparison table between the aging of accounts receivable and the expected credit loss rate over their entire life cycle, thereby calculating the expected credit loss. For accounts receivable notes classified as portfolios, the Company also utilizes historical credit loss experience, along with the current situation and forecasts for future economic conditions, to calculate the expected credit loss based on default risk exposure and the expected credit loss rate over their entire life cycle.

Accounts Receivable – Comparison Table of Age Groups and the Expected Credit Loss Rate Over

Their Full Life Cycle

Account Age	Expected credit loss rate of accounts receivable (%)
Within 1 year (inclusive, same below)	1.00
1-2 years	5.00
2-3 years	10.00
3-4 years	30.00
4-5 years	50.00
More than 5 years	100.00

② Receivables and lease receivables containing significant financing components.

For receivables involving significant financing components and lease receivables governed by Accounting Standard for Business Enterprises No.21 – Leasing, the Company measures loss provisions using the general method, namely the "three-stage" model.

(3) Methods for measuring loss provisions on other financial assets

For financial assets other than those mentioned above—such as debt investments, other debt investments, other receivables, and long-term receivables excluding lease receivables—the Company measures loss provisions using the general method, namely the "three-stage" model.

When measuring credit impairment on financial instruments, our company considers the following factors to determine whether credit risk has increased significantly:

The Company categorizes other receivables into several portfolios based on the nature of the amounts, and calculates expected credit losses on a portfolio basis. The criteria for portfolio determination are as follows:

Other Receivables Portfolio 1: Portfolio of Related Parties within the Consolidated Scope

Other Receivables Portfolio 2: Financing Margin Portfolio

Other Receivables Portfolio 3: Export Tax Refund Receivables Portfolio

2. Accounting Treatment Method for Expected Credit Losses

To reflect changes in the credit risk of financial instruments after initial recognition, the Company re-measures expected credit losses at each balance sheet date. The resulting increases or reversals in loss provisions shall be recognized as impairment losses or gains in the current period's profit or loss. Depending on the type of financial instrument, these amounts shall either reduce the carrying amount of the financial asset on the balance sheet or be recognized as estimated liabilities or as other comprehensive income (for debt investments measured at fair value with changes recognized in other comprehensive income).

## **12. Inventory**

### (1) Classification of Inventory

Inventories refer to the finished goods or commodities held by the Company for sale in its daily operations, work-in-progress items, and materials consumed during production or service delivery. These primarily include raw materials, consumables (such as packaging materials and low-value consumables), materials processed under contract, work-in-progress, self-manufactured semi-finished products, and finished goods (merchandise inventory).

### (2) Pricing Method Used for Issuance

When inventory is issued, the actual cost is determined using the weighted average method at the end of the month.

### (3) The inventory counting system adopts the perpetual inventory method.

### (4) Amortization method for low-value consumables and packaging materials

Low-value consumables are amortized using the straight-line method upon requisition; packaging

materials are also amortized using the straight-line method upon requisition.

### (3) Criteria for Recognition and Provision Method for Inventory Impairment Losses

On the balance sheet date, inventory is measured at the lower of cost and net realizable value, with impairment provisions calculated for each individual inventory item. For inventories that are numerous and have low unit prices, impairment provisions are calculated based on inventory category.

On the balance sheet date, inventory is measured at the lower of cost and net realizable value, with inventory impairment provisions recognized based on the difference between the cost and net realizable value for each inventory category. For inventory directly intended for sale, its net realizable value is determined during normal operations as the estimated selling price minus estimated selling expenses and relevant taxes. For inventory requiring processing, its net realizable value is determined during normal operations as the estimated selling price of the finished products minus estimated costs, selling expenses, and relevant taxes incurred until completion. On the balance sheet date, for each component of the same inventory that has a contract price and those without a contract price, their respective net realizable values are determined and compared with their corresponding costs to calculate the amount of inventory impairment provisions to be recognized or reversed.

## **13. Long-term equity investment**

The term "long-term equity investments" referred to in this section denotes those in which the Company holds controlling, jointly controlling, or significant influence over the investee entity. Long-term equity investments in which the Company does not hold controlling, jointly controlling, or significant influence are accounted for as financial assets measured at fair value with changes recognized in profit or loss. For non-trading investments, the Company may, at initial recognition, choose to classify them as financial assets measured at fair value with changes recognized in other comprehensive income. The accounting policy is detailed in Note 3, Section 10, "Financial Instruments."

Joint control refers to the Company's shared control over a specific arrangement under relevant agreements, where decisions regarding activities under such arrangement require unanimous consent from all parties sharing control rights. Significant influence means the Company has the authority to participate in decision-making regarding the financial and operational policies of the investee entity, but lacks either sole control or joint control with other parties over the formulation of these policies.

### (1) Determination of Investment Costs

For long-term equity investments acquired through business combinations under common control, the initial investment cost shall be determined on the combination date based on the share of the acquirer's equity book value in the ultimate controlling party's consolidated financial statements. The difference between the initial investment cost and the sum of cash payments, transferred non-cash assets, and assumed debt book values shall be allocated to capital reserves; if capital reserves are insufficient, the

difference shall be adjusted against retained earnings. Where equity securities are issued as consideration for the combination, the initial investment cost shall be calculated based on the acquirer's equity share in the ultimate controlling party's consolidated financial statements, with the total par value of issued shares recognized as share capital. The difference between the initial investment cost and the total par value of issued shares shall be allocated to capital reserves; if capital reserves are insufficient, the difference shall be adjusted against retained earnings.

For long-term equity investments acquired through business combinations under different controls, the acquisition cost shall be recognized as the initial investment cost on the acquisition date. The consolidation cost comprises the sum of assets contributed by the acquirer, liabilities incurred or assumed, and the fair value of issued equity securities.

The intermediary fees incurred during business combinations—such as audit services, legal services, valuation consulting, and other related administrative expenses—along with those of the merging entity or purchaser, shall be recognized in profit or loss at the time of occurrence.

For other equity investments other than those arising from business combinations, the initial measurement is made at cost. This cost is determined based on the method of acquisition of the long-term equity investment, using either the actual cash payment made by the Company, the fair value of equity securities issued by the Company, the value specified in the investment contract or agreement, the fair value or original carrying amount of the assets exchanged in non-monetary asset transactions, or the fair value of the long-term equity investment itself. Expenses, taxes, and other necessary expenditures directly related to the acquisition of the long-term equity investment are also included in the investment cost.

#### (2) Subsequent Measurement and Profit/Loss Recognition Method

Long-term equity investments in investee entities that are jointly controlled (excluding cases where they constitute joint operators) or significantly influenced shall be accounted for using the equity method. Additionally, long-term equity investments in which the company exercises control over the investee entity may be accounted for using the cost method in its financial statements.

##### ① Long-term equity investments accounted for using the cost method

When using the cost method for accounting, long-term equity investments are valued at their initial investment cost, with adjustments made to the cost upon additional investments or investment withdrawals. Excluding cash dividends or profits declared but not yet distributed included in the actual payment or consideration received upon investment acquisition, current investment income is recognized based on the cash dividends or profits declared and distributed by the investee entity.

##### ② Long-term equity investments accounted for using the equity method

When using the equity method for accounting, if the initial investment cost of a long-term equity investment exceeds the investor's share of the fair value of the investee's identifiable net assets at the time

of investment, the initial investment cost shall not be adjusted; if the initial investment cost is less than the investor's share of the fair value of the investee's identifiable net assets at the time of investment, the difference shall be recognized in profit or loss for the period, and the cost of the long-term equity investment shall be adjusted accordingly.

When applying the equity method of accounting, investment income and other comprehensive income are recognized separately based on the investor's share of the investee's net profit or loss and other comprehensive income, while simultaneously adjusting the carrying amount of long-term equity investments. The investor's share of profits or cash dividends declared by the investee reduces the carrying amount of long-term equity investments accordingly. For all other changes in the investee's owners' equity excluding net profit/loss, other comprehensive income, and profit distribution, the carrying amount of long-term equity investments is adjusted and recorded in capital reserves. The recognition of the investor's share of the investee's net profit/loss is based on the fair value of identifiable assets at the time of investment, adjusted against the investee's net profit. Where the investee adopts accounting policies or fiscal periods differing from those of the parent company, the investee's financial statements are adjusted in accordance with the parent company's policies and periods, and investment income 及其他 comprehensive income are determined accordingly. For transactions between the parent company and associates or joint ventures, if the assets disposed of do not constitute business operations, unrealized internal transaction gains or losses are offset by the parent company's share calculated proportionally, upon which investment income and other comprehensive income are recognized. However, unrealized internal transaction losses between the parent company and the investee that constitute impairment losses on transferred assets are not offset.

When recognizing the shareable portion of the net loss incurred by the investee, the recognition shall be limited to the book value of the long-term equity investment and the reduction of other long-term interests that substantially constitute a net investment in the investee to zero. Furthermore, if the Company has an obligation to bear additional losses for the investee, an estimated liability shall be recognized and recorded as an investment loss for the current period. If the investee generates net profit in subsequent periods, the Company shall resume recognizing the share of profit after offsetting the unconfirmed loss-sharing amount against the share of profit.

### ③ Acquisition of minority equity

When preparing consolidated financial statements, the difference between the newly added long-term equity investment resulting from the acquisition of minority interests and the subsidiary's net asset share calculated based on the new shareholding ratio, which is continuously accrued from the acquisition date (or consolidation date), shall be adjusted against the capital reserve. If the capital reserve is insufficient, the difference shall be offset against retained earnings.

#### ④ Disposal of long-term equity investments

In consolidated financial statements, when the parent company partially disposes of its long-term equity investments in subsidiaries without losing control, the difference between the disposal proceeds and the subsidiary's net assets corresponding to the disposed long-term equity investment is recognized in shareholders' equity. If the partial disposal results in the parent company losing control over the subsidiary, the transaction shall be accounted for in accordance with the relevant accounting policies specified in Note 3, Section 6, Subparagraph (2) of this document, "Method of Preparation of Consolidated Financial Statements."

For the disposal of long-term equity investments under other circumstances, the difference between the carrying value of the disposed equity and the actual consideration received shall be recognized in profit or loss for the period.

For long-term equity investments accounted for using the equity method, if the remaining equity interests after disposal continue to be accounted for using the equity method, the portion of other comprehensive income originally recorded in shareholders' equity shall be accounted for at the corresponding ratio using the same basis as that applied when the investee directly disposed of related assets or liabilities at the time of disposal. All changes in owners' equity attributable to the investee's owner's equity other than net profit or loss, other comprehensive income, and profit distribution shall be transferred to the current period profit or loss in proportion.

For long-term equity investments accounted for using the cost method, if the remaining equity after disposal continues to be accounted for using the cost method, the other comprehensive income recognized prior to obtaining control over the investee—whether from the equity method or from the financial instruments recognition and measurement standards—shall be accounted for using the same basis as the direct disposal of related assets or liabilities of the investee and transferred proportionally to current period profit or loss; all other changes in owners' equity within the investee's net assets recognized under the equity method, excluding net profit or loss, other comprehensive income, and profit distribution, shall also be transferred proportionally to current period profit or loss.

When a company loses control over an investee due to the disposal of a portion of its equity investments, and the remaining equity after disposal can exercise joint control or significant influence over the investee during the preparation of individual financial statements, the equity method shall be applied, with the remaining equity adjusted as if it had been accounted for using the equity method from acquisition. If the remaining equity after disposal cannot exercise joint control or significant influence over the investee, accounting treatment shall comply with the relevant provisions of the Financial Instruments Recognition and Measurement Standards, and the difference between the fair value and book value of the equity at the date of loss of control shall be recognized in profit or loss for the period. For other

comprehensive income recognized prior to the company obtaining control over the investee under either the equity method or the Financial Instruments Recognition and Measurement Standards, the accounting treatment shall follow the same basis as the direct disposal of related assets or liabilities by the investee upon loss of control. All changes in owners' equity attributable to the equity method—excluding net profit/loss, other comprehensive income, and profit distribution—shall be transferred to profit or loss upon loss of control. Specifically: if the remaining equity after disposal is accounted for using the equity method, other comprehensive income and other owners' equity are transferred proportionally; if the remaining equity is accounted for under the Financial Instruments Recognition and Measurement Standards, both other comprehensive income and other owners' equity are fully transferred.

When a company loses joint control or significant influence over an investee due to the disposal of a portion of its equity investment, the remaining equity interest after disposal shall be accounted for in accordance with the Financial Instruments Recognition and Measurement Standards. The difference between the fair value and the carrying value of the equity interest on the date of loss of joint control or significant influence shall be recognized in profit or loss for the period. Other comprehensive income recognized from the original equity investment under the equity method shall be accounted for under the same basis as the direct disposal of related assets or liabilities by the investee upon termination of the equity method. All changes in owners' equity attributable to the investee's own equity other than net profit or loss, other comprehensive income, and profit distribution shall be fully transferred to investment income for the period upon termination of the equity method.

#### **14. Investment property**

Investment property refers to real estate held for the purpose of generating rental income, capital appreciation, or both. This includes leased land use rights, land use rights held with plans for appreciation and subsequent transfer, and leased buildings.

Investment property is initially measured at cost. Subsequent expenditures related to investment property shall be included in the cost of the asset if the economic benefits associated with the asset are likely to flow and the cost can be reliably measured. Other subsequent expenditures shall be recognized in profit or loss at the time they occur.

When an investment property is disposed of, permanently withdrawn from use, and it is expected that no economic benefits will be derived from its disposal, the recognition of such investment property is terminated. The proceeds from the disposal of an investment property—whether through sale, transfer, scrapping, or damage—after deducting its carrying amount and relevant taxes and fees shall be recognized in the current period's profit or loss.

#### **15. Fixed Assets**

(1) Conditions for recognizing fixed assets

Fixed assets refer to tangible assets held for the purpose of producing goods, providing services, leasing, or operating and managing, with a useful life exceeding one accounting year. Fixed assets are recognized only when it is probable that the economic benefits associated with them will flow to the company and their costs can be reliably measured. Fixed assets are initially measured at cost, taking into account the impact of estimated disposal costs.

(2) Depreciation methods for various types of fixed assets

For fixed assets, depreciation is calculated using the straight-line method over their service life, starting from the month following the achievement of the intended usable condition. The service life, estimated residual value, and annual depreciation rate for various types of fixed assets are as follows:

class	method of depreciation	Depreciation period (years)	ratio of remaining value (%)	yearly depreciation (%)
Houses and Buildings	Annual Average Method	15-35	3.00	2.77-6.47
machinery equipment	Annual Average Method	10-15	3.00	6.47-9.70
conveyance	Annual Average Method	6-8	3.00	12.13-16.17
Electronic Equipment	Annual Average Method	4-11	3.00	8.82-24.25
other	Annual Average Method	4-11	3.00	8.82-24.25

The estimated residual value refers to the amount obtained by the Company from the disposal of an asset after deducting estimated disposal costs, assuming the fixed asset has reached the end of its estimated useful life and is in its expected condition at that point.

(3) Methods for impairment testing of fixed assets and methods for making impairment provisions

For details on the impairment testing methods for fixed assets and the impairment provision calculation methods, refer to Note 3, Section 19 "Impairment of Long-term Assets".

(4) Other Notes

Subsequent expenditures related to fixed assets shall be recognized in the cost of the fixed asset if the economic benefits associated with the asset are likely to flow and their costs can be reliably measured, thereby eliminating the carrying amount of the replaced portion. All other subsequent expenditures shall be recognized in profit or loss at the time they occur.

When a fixed asset is being disposed of or is expected to generate no economic benefits through use

or disposal, its recognition is terminated. The difference between the disposal proceeds from the sale, transfer, scrapping, or damage of the fixed asset and its carrying amount, after deducting relevant taxes and fees, is recognized in profit or loss for the period.

The Company shall review the service life, estimated net residual value, and depreciation method of fixed assets at least once at the end of each fiscal year. Any changes made shall be treated as adjustments to accounting estimates.

#### **16. Projects under construction**

The Company's construction-in-progress projects are categorized into two types: self-construction and contracted construction. Upon completion of the projects and attainment of their intended usable condition, they are recognized as fixed assets. The determination of the intended usable condition shall meet one of the following criteria: (1) The physical construction (including installation) of the fixed asset has been fully completed or substantially completed; (2) The asset has undergone trial production or trial operation, with results demonstrating its ability to operate normally or produce qualified products stably; or (3) The trial operation results indicate its capability for normal operation or business activities; (4) Expenditures on the fixed asset under construction are minimal or virtually non-existent; or (5) The acquired fixed asset meets the design or contractual requirements, or is substantially consistent with such requirements.

When the construction-in-progress reaches its intended usable condition, it is transferred to fixed assets at the project's actual cost. For projects that have reached the intended usable condition but have not yet completed final accounting, they are initially recorded as fixed assets at estimated value; the original provisional estimate is adjusted to reflect the actual cost after final accounting is completed, while previously accrued depreciation remains unchanged.

For details on the impairment testing methodology and impairment provision calculation method for construction in progress, refer to Note 3, Section 19 "Impairment of Long-term Assets."

#### **17. Loan costs**

Loan costs comprise borrowing interest, amortization of discounts or premiums, ancillary expenses, and exchange differences arising from foreign currency borrowings. Loan costs directly attributable to the acquisition, construction, or production of assets meeting capitalization criteria shall be capitalized when asset expenditures have been incurred, borrowing costs have been recognized, and the necessary acquisition, construction, or production activities to bring the asset to its intended usable or saleable state have commenced; capitalization shall cease when such assets reach their intended usable or saleable state. Other borrowing costs are recognized as expenses in the period in which they are incurred.

For special loans, the actual interest expenses incurred during the period shall be capitalized after deducting the interest income generated from depositing unused loan funds in banks or the investment

returns obtained from temporary investments. For general loans, the capitalizable amount is determined by multiplying the weighted average of cumulative asset expenditures exceeding those of special loans by the capitalization rate applicable to the utilized general loans. The capitalization rate is calculated based on the weighted average interest rate of general loans.

During the capitalization period, all exchange differences on foreign currency special loans are capitalized; exchange differences on foreign currency general loans are recognized in profit or loss for the period.

Assets meeting capitalization criteria refer to fixed assets, investment properties, and inventories that require a considerable period of acquisition, construction, or operational activities to reach their intended usable or saleable state.

If an asset meeting capitalization criteria experiences an abnormal interruption during its acquisition, construction, or production process, and the interruption lasts continuously for more than three months, the capitalization of borrowing costs shall be suspended until the asset's acquisition, construction, or production activities resume.

Assets meeting capitalization criteria refer to fixed assets, investment properties, and inventories that require a considerable period of acquisition, construction, or operational activities to reach their intended usable or saleable state.

## **18. Intangible Assets**

### **(1) Intangible Assets**

Intangible assets refer to identifiable non-monetary assets owned or controlled by the Company that lack physical form.

Intangible assets are initially measured at cost. Expenditures related to intangible assets are recognized in the cost of the intangible assets if the associated economic benefits are likely to flow to the company and their costs can be reliably measured. Expenditures on other items are recognized in profit or loss at the time they occur.

The acquired land use rights are typically accounted for as intangible assets. When a company independently develops and constructs buildings such as factory facilities, the related land use right expenditures and building construction costs are accounted for separately as intangible assets and fixed assets, respectively. For purchased buildings and structures, the corresponding purchase price is allocated between the land use rights and the buildings; if an equitable allocation is not feasible, the entire amount is treated as fixed assets.

For intangible assets with a finite useful life, the amortization base is calculated as the original cost minus the estimated net residual value and the cumulative amount of impairment provisions accumulated, and amortization is performed on an average basis over the estimated useful life using the straight-line

method from the point when the asset becomes available for use. Intangible assets with an indefinite useful life are not amortized.

The useful life, determination basis, and amortization method for intangible assets with finite useful lives are as follows:

project	life length	Amortization Method
software	3-10	Linear method for stage averaging
land use right	40-50	Linear method for stage averaging

At the end of the period, the useful life and amortization method of intangible assets with a finite useful life are reviewed; any changes are treated as adjustments to accounting estimates. Additionally, the useful life of intangible assets with an indefinite useful life is reviewed. If evidence indicates that the period during which the intangible asset generates economic benefits is foreseeable, its useful life is estimated and amortized using the amortization method applicable to intangible assets with a finite useful life.

## (2) Research and Development Expenses

The expenditures for our company's internal research and development projects are categorized into research phase expenditures and development phase expenditures.

Expenses incurred during the research phase are recognized in profit or loss for the period in which they occur.

The scope of R&D expenditure aggregation for our company includes materials consumed for R&D, intermediate trial costs, travel expenses, design fees, depreciation and amortization, employee compensation, and other items.

The company's specific criteria for distinguishing between research phase expenditures and development phase expenditures in internal R&D projects:

The research phase refers to the stage of conducting original, planned investigations and research activities aimed at acquiring and understanding new scientific or technological knowledge; the development phase involves applying research findings or other knowledge to specific plans or designs prior to commercial production or application, resulting in the creation of new or substantially improved materials, devices, or products.

Expenses incurred during the development phase shall be recognized as intangible assets if all the following conditions are met; otherwise, such expenses shall be recognized in profit or loss for the current period.

- ① It is technically feasible to complete the intangible asset so that it can be used or sold;
- ② Intends to complete the acquisition of the intangible asset and use or sell it;
- ③ The ways in which intangible assets generate economic benefits include: demonstrating that

products manufactured using such assets have a market, or that the intangible assets themselves have a market; or, when the assets are used internally, proving their utility.

④ Possess sufficient technical, financial, and other resources to complete the development of the intangible asset, and have the capability to utilize or sell it;

⑤ The expenditures incurred during the development stage of this intangible asset can be reliably measured.

Where it is impossible to distinguish between expenditures incurred during the research phase and those during the development phase, all research and development expenditures shall be included in the current period's profit or loss.

(3) Methods for testing impairment of intangible assets and for recognizing impairment losses

For details on the impairment testing methods for intangible assets and the impairment provision calculation methods, refer to Note 3, Section 19 "Impairment of Long-term Assets".

### **19. Impairment of long-term assets**

For non-current non-financial assets—including fixed assets, construction in progress, intangible assets with finite useful lives, right-of-use assets, investment properties measured at cost, and long-term equity investments in subsidiaries, joint ventures, and associates—the Company assesses for impairment indications on the balance sheet date. Where impairment indications exist, the recoverable amount is estimated and an impairment test is conducted. Goodwill, intangible assets with indefinite useful lives, and intangible assets that have not yet reached their usable state undergo annual impairment testing regardless of the presence of impairment indications.

The impairment assessment results indicate that when an asset's recoverable amount falls below its carrying value, an impairment loss is recognized based on the difference. The recoverable amount is defined as the higher of: the net amount of the asset's fair value less disposal costs, or the present value of the asset's estimated future cash flows. The fair value of an asset is determined by the transaction price in a fair market transaction; where no transaction agreement exists but the asset has an active market, the fair value is determined by the highest bid price; where neither a transaction agreement nor an active market exists, the fair value is estimated using the best available information. Disposal costs include legal fees, applicable taxes, handling charges, and direct expenses incurred to prepare the asset for sale. The present value of future cash flows is calculated by discounting the projected cash flows generated during the asset's useful life and upon final disposal using an appropriate discount rate. Impairment provisions are calculated and recognized on an individual asset basis; when estimating the recoverable amount of an individual asset is difficult, the recoverable amount is determined for the asset group to which the asset belongs—the smallest identifiable group of assets capable of generating independent cash flows.

Goodwill separately presented in financial statements shall, during impairment testing, have its

carrying amount allocated to the asset groups or combinations of asset groups expected to benefit from the synergies arising from the business combination. If the test results indicate that the recoverable amount of the asset group or combination of asset groups containing the allocated goodwill is lower than its carrying amount, the corresponding impairment loss shall be recognized. The impairment loss amount shall first be deducted from the carrying amount of the goodwill allocated to that asset group or combination, and then proportionally deducted from the carrying amounts of the other assets within the asset group or combination based on their respective share of the total carrying amount excluding goodwill.

Once the aforementioned asset impairment loss is recognized, the portion of value recovered cannot be reversed in subsequent periods.

#### **20. Long-term prepaid expenses**

Long-term prepaid expenses refer to various costs that have already been incurred but should be allocated over the reporting period and subsequent periods, with an amortization period exceeding one year. The Company's long-term prepaid expenses primarily consist of renovation costs. These expenses are amortized using the straight-line method over their estimated benefit period.

#### **21. Contract Liabilities**

Contract liabilities refer to the obligation of the Company to deliver goods to customers for which the Company has received or is due to receive consideration from them. If the customer has paid the contract consideration or the Company has acquired an unconditional right to receive payment prior to the delivery of goods, the Company recognizes such received or receivable amounts as contract liabilities at the earlier of the customer's actual payment date or the due payment date. Contract assets and contract liabilities under the same contract are presented on a net basis; those under different contracts are not offset against each other.

#### **22. Employee Compensation**

The company's employee compensation primarily consists of short-term employee compensation, post-employment benefits, termination benefits, and other long-term employee benefits. Specifically:

Short-term compensation primarily includes wages, bonuses, allowances and subsidies, employee welfare expenses, medical insurance premiums, maternity insurance premiums, work-related injury insurance premiums, housing provident fund contributions, trade union funds, employee education funds, and non-monetary benefits. During the accounting period in which employees provide services to the company, the actual short-term employee compensation incurred is recognized as a liability and recorded in the current period's profit or loss or the cost of related assets. Non-monetary benefits are measured at fair value.

Post-employment benefits primarily include basic pension insurance, unemployment insurance, and annuities. Post-employment benefit plans consist of defined contribution plans and defined benefit plans.

For defined contribution plans, the corresponding contribution amounts are recognized either as part of the asset cost or recorded in the current period's profit or loss upon occurrence.

When terminating the employment relationship with an employee before the expiration of the labor contract, or when proposing compensation to encourage voluntary workforce reduction, the employee compensation liability arising from such termination shall be recognized and recognized in profit or loss at the earlier of: (1) the date on which the company cannot unilaterally withdraw the termination benefits provided under the employment termination plan or reduction proposal; or (2) the date on which the company confirms the costs associated with the restructuring involving the payment of such termination benefits. However, if the termination benefits are not expected to be fully paid within twelve months following the end of the annual reporting period, they shall be treated as other long-term employee benefits.

The internal employee retirement plan follows the same principles as the aforementioned severance benefits. For employees who opt for early retirement, the company will recognize the wages payable and social insurance contributions accrued from the date of service termination until the normal retirement date as current period expenses (severance benefits) when the conditions for recognizing estimated liabilities are met.

Other long-term employee benefits provided by the Company shall be accounted for under the defined contribution plan where applicable, and otherwise under the defined benefit plan.

### **23. Provision for Liabilities**

When obligations arising from contingent matters such as external guarantees, litigation matters, product quality guarantees, or loss contracts become current obligations assumed by the Company, and the fulfillment of such obligations is likely to result in an outflow of economic benefits from the Company, with the amount of these obligations being reliably measurable, the Company recognizes such obligations as estimated liabilities.

The Company initially measures its estimated liabilities based on the best estimate of expenditures required to fulfill relevant current obligations and reviews the carrying amount of these liabilities at the balance sheet date.

If the entire or partial expenditure required to settle an estimated liability is expected to be compensated by a third party, the compensation amount shall be recognized separately as an asset when it is essentially certain that it will be received, provided that the recognized compensation amount does not exceed the carrying amount of the estimated liability.

### **24. Income**

The Company recognizes revenue when fulfilling its performance obligations under the contract—that is, upon the customer obtaining control of the relevant goods or services—in accordance with the

transaction price allocated to such performance obligation. Acquisition of control of the relevant goods refers to the ability to dominate their use and derive nearly all economic benefits therefrom. A performance obligation denotes the Company's commitment under the contract to transfer clearly identifiable goods to the customer. The transaction price represents the amount of consideration the Company expects to receive for transferring the goods to the customer, excluding payments received on behalf of a third party and amounts the Company expects to refund to the customer.

Whether a performance obligation is fulfilled over a specific period or at a specific point in time depends on the contract terms and relevant legal provisions. If the obligation is fulfilled over a period, the Company recognizes revenue based on the progress of performance. Otherwise, the Company recognizes revenue at the point when the customer obtains control of the relevant assets.

For performance obligations stipulated in sales contracts for engineering construction and maintenance services that meet the condition of "performance within a specified period," revenue is recognized based on the progress of performance, unless the progress cannot be reasonably determined. The Company uses the input method to determine the contract performance progress as the ratio of the cumulative contract costs incurred to the contract target cost. If the progress cannot be reasonably determined but the incurred costs are expected to be fully recovered, the Company recognizes revenue based on the amount of incurred costs until the progress can be reasonably determined.

The sales of video conferencing products, integrated wiring products, intelligent electrical products, communication infrastructure products, and other products constitute performance obligations fulfilled at a specific point in time. Revenue recognition for these products requires the following conditions: the company has delivered the products to the buyer as stipulated in the contract and obtained the buyer's acceptance; the product sales revenue amount has been determined; payment has been received or payment vouchers have been obtained; it is probable that the related economic benefits will materialize; and the costs associated with the products can be reliably measured.

## **25. Contract Cost**

Contract costs are divided into contract performance costs and contract acquisition costs.

The costs incurred by the Company in fulfilling the contract shall be recognized as an asset for contract performance costs only when the following conditions are simultaneously met:

(1) This cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing overhead (or similar expenses), costs explicitly borne by the client, and other costs incurred solely for that contract;

(2) This cost increases the resources the enterprise will allocate in the future to fulfill its performance obligations;

(3) This cost is expected to be recovered.

When the incremental costs incurred by the Company to obtain a contract are expected to be recovered, they shall be recognized as part of the contract acquisition cost and classified as an asset; however, if the amortization period of such asset does not exceed one year, the cost may be recognized in profit or loss at the time of occurrence.

Assets related to contract costs are amortized using the same basis as the revenue recognition from goods or services associated with those assets.

For assets related to contract costs, if their carrying value exceeds the sum of the following two amounts, the Company shall recognize an impairment loss on the excess amount and record it as an asset impairment loss:

(1) The remaining consideration expected to be received from the transfer of goods or services related to the asset;

(2) The estimated costs incurred for transferring the relevant goods or services.

Where the aforementioned asset impairment provision is subsequently reversed, the revised book value of the asset shall not exceed its book value on the reversal date under the assumption that no impairment provision was recognized.

## **26. Government Subsidy**

Government grants refer to monetary and non-monetary assets obtained by the Company from the government without compensation, excluding capital invested by the government as an investor with corresponding owner's equity. Government grants are categorized into asset-related grants and revenue-related grants. When government grants consist of monetary assets, they are measured at the amount received or receivable. For non-monetary assets, they are measured at fair value; if fair value cannot be reliably determined, they are measured at nominal amount. Government grants measured at nominal amount are directly recognized in profit or loss for the period.

Government grants related to assets are recognized as deferred income and are allocated to current period earnings over the useful life of the relevant assets using a reasonable and systematic method. Government grants related to income that are intended to compensate for future costs, expenses, or losses are recognized as deferred income and are recognized in current period earnings when the corresponding costs, expenses, or losses are recognized; those intended to compensate for incurred costs, expenses, or losses are recognized directly in current period earnings.

Government grants that encompass both asset-related components and revenue-related components should be accounted for separately; where differentiation is difficult, they should be collectively classified as revenue-related government grants.

Government grants related to the company's daily operations shall be recognized as other income or deducted from relevant costs and expenses based on the substance of the economic transactions; government grants unrelated to daily operations shall be recorded as non-operating income or expenses.

When confirmed government grants need to be refunded, if there is a relevant deferred income balance, the corresponding deferred income balance shall be offset; any excess amount shall be recognized in current period profit or loss. In other cases, the amount shall be directly recognized in current period profit or loss.

#### **27. Deferred income tax assets/deferred income tax liabilities**

The deferred income tax asset or liability is recognized based on the difference between the carrying amount of assets and liabilities and their tax basis (for items not recognized as assets or liabilities, where their tax basis can be determined in accordance with tax laws, the difference between the tax basis and the carrying amount), calculated using the applicable tax rate during the period when the asset is expected to be recovered or the liability settled.

Deferred tax assets shall be recognized only to the extent that it is probable that sufficient taxable income will be available to offset deductible temporary differences. At the balance sheet date, if there is conclusive evidence that sufficient taxable income is likely to be available in future periods to offset such differences, deferred tax assets previously unrecognized in prior accounting periods shall be recognized.

On the balance sheet date, review the carrying amount of deferred tax assets. If it is probable that sufficient taxable income will not be available in future periods to realize the benefits of these deferred tax assets, reduce their carrying amount. When sufficient taxable income is likely to be obtained, reverse the reduction amount.

The Company's current income tax and deferred income tax are recognized as income tax expenses or income in the current period's profit or loss, excluding income tax arising from the following transactions: business combinations; or transactions or events recognized directly in owners' equity.

When the company holds statutory rights for net settlement and intends to conduct both net settlement or acquisition of assets and settlement of liabilities simultaneously, its current income tax assets and liabilities shall be reported at the net amount after offsetting.

#### **28. Lease**

(1) Our company acts as the lessee.

The leased assets of our company are primarily mechanical equipment.

On the lease commencement date, the Company recognizes right-of-use assets and lease liabilities for

leases other than short-term leases and low-value asset leases, and recognizes depreciation expenses and interest expenses separately over the lease term.

During the lease term, our company applies the straight-line method, recognizing the lease payments for short-term leases and low-value asset leases as current period expenses.

#### ① Right-to-use asset

Right-of-use assets refer to the rights granted to the lessee to use the leased asset during the lease term. At the commencement date of the lease term, right-of-use assets are initially measured at cost. This cost includes: ① the initial measurement amount of the lease liability; ② lease payments made on or before the lease commencement date; if lease incentives are applicable, the amount of such incentives already received shall be deducted; ③ the lessee's initial direct costs; ④ the costs expected to be incurred by the lessee for dismantling and removing the leased asset, restoring the premises where the asset is located, or returning the asset to the condition specified in the lease terms.

The Company uses the straight-line method for the classification and calculation of depreciation on its right-of-use assets. For leases where it is reasonably certain that ownership of the leased asset will be acquired upon lease expiration, depreciation is calculated over the asset's estimated remaining useful life; for leases where this certainty is lacking, depreciation is calculated over the shorter of the lease term and the asset's remaining useful life.

The Company determines whether right-of-use assets have experienced impairment and performs the corresponding accounting treatment in accordance with the relevant provisions of Accounting Standard for Business Enterprises No.8 – Asset Impairment.

#### ② lease obligation

Lease liabilities are initially measured at the present value of the outstanding lease payments as of the lease commencement date. Lease payments include: ① fixed payments (including substantially fixed payments); where lease incentives exist, the amount related to such incentives is deducted; ② variable lease payments dependent on indices or ratios; ③ amounts payable based on the residual value of guarantees provided by the lessee; ④ the exercise price of a purchase option, provided the lessee reasonably determines to exercise such option; ⑤ amounts payable for exercising the lease termination

option, provided the lease term reflects the lessee's intention to exercise such option.

The Company uses the lease embedded interest rate as the discount rate; if the lease embedded interest rate cannot be reasonably determined, the Company's incremental borrowing interest rate is used as the discount rate. The Company calculates the interest expense on lease liabilities for each period of the lease term using a fixed periodic interest rate and records it as financial expense. This periodic interest rate refers to the discount rate or the revised discount rate adopted by the Company.

Variable lease payments not included in the measurement of lease liabilities are recognized in profit or loss at the actual occurrence.

When the valuation results for the lease renewal option, lease termination option, or purchase option change, the lease liability shall be remeasured using the present value calculated based on the revised lease payments and the updated discount rate, with the carrying amount of the right-of-use asset adjusted accordingly. If there are changes in material lease payments, the estimated payable amount of the residual value of the guarantee, or variable lease payments dependent on indices or ratios, the lease liability shall be remeasured using the present value calculated based on the revised lease payments and the original discount rate, and the carrying amount of the right-of-use asset shall be adjusted accordingly.

### ③ Short-term leasing and leasing of low-value assets

For short-term leases (those with a lease term not exceeding 12 months on the lease commencement date) and low-value assets (valued below RMB 2,000), the Company adopts a simplified approach: it does not recognize right-of-use assets or lease liabilities, but instead allocates lease payments over each period of the lease term using the straight-line method or another systematic and reasonable method to the cost of the relevant assets or to the current period's profit or loss.

#### (2) Our company acts as the lessor.

##### ① operation lease

The Company uses the straight-line method to recognize lease receivables from operating leases as rental income for each period of the lease term. Variable lease payments related to operating leases that have not been included in the lease receivables are recognized in profit or loss when actually incurred.

##### ② finance lease

On the lease commencement date, the Company recognizes the receivable from the financial lease and derecognizes the financial lease asset. The receivable from the financial lease is initially measured at the net lease investment amount (the sum of the unguaranteed residual value and the present value of lease

receivables not yet received at the lease commencement date, discounted at the lease's effective rate), and interest income for the lease term is recognized at a fixed periodic rate. Variable lease payments received by the Company that are not included in the net lease investment amount are recognized in profit or loss when actually incurred.

### **29. Methodology and Selection Criteria for Determining Importance Standards**

Disclosures related to the criteria for determining materiality	Methods for Determining and Selection Criteria for Importance Standards
receivables for which significant individual provisions for bad debts have been made	When the amount exceeds 5% of the corresponding accounts receivable and surpasses RMB 4 million, or when the provision for bad debts in the current period affects profit and loss figures.
Recovery or reversal of provisions for doubtful accounts on important receivables	The reversal of bad debt provisions affects more than 5% of the current period's bad debt provision reversal amount, with the amount exceeding RMB 1 million, or influences the current period's profit and loss.
Significant accounts payable and other payables with an aging period exceeding one year	More than 5% of the accounts payable or other payables balance, with an amount exceeding RMB 1 million
Subsidiaries in which minority shareholders hold significant equity interests	Minority shareholders hold more than 5% of the equity, and their total assets, net assets, operating revenue, and net profit account for over 10% of the corresponding items in the consolidated financial statements.
Important joint venture or cooperative enterprise	The book value accounts for more than 10% of the long-term equity investment, or the investment income (losses calculated in absolute terms) derived from joint ventures or associated enterprises accounts for more than 10% of the consolidated net profit.
Important Debt Restructuring	The total assets or total liabilities account for more than 10% of the consolidated financial statements, with an absolute amount exceeding RMB 2 million, or have an impact on net profit exceeding 10%.

### **30. Changes to significant accounting policies and accounting estimates**

#### (1) Change in Accounting Policies

The Company had no significant changes to accounting policies during the reporting period.

(2) Change in Accounting Estimates

The Company had no significant changes to accounting estimates during the reporting period.

**IV. Taxes**

**1. Main Tax Types and Rates**

categories of taxes	Specific tax rate details
added-value tax	The taxable income is subject to output VAT at rates of 13%,6%,5%, and 3%, respectively. Value-added tax is calculated and paid based on the difference after deducting the input VAT eligible for deduction in the current period.
urban maintenance & construction tax	The tax is calculated at 7% of the actual value-added tax paid.
extra charges of education funds	The tax is calculated at 3% of the actual value-added tax paid.
Local Education Surcharge	The tax is calculated at 2% of the actual value-added tax paid.
building taxes	For value-based taxation, the tax is calculated at 1.2% of the residual value after deducting 30% of the property's original value in a single deduction; for rental-based taxation, the tax is calculated at 12% of rental income.
business income taxes	See the table below for details.

Name of the taxpaying entity	rate of income tax
Nanjing Putian Tianji Building Intelligence Co., Ltd.	15%
Nanjing Putian Datang Information Electronics Co., Ltd.	15%
Other tax entities other than those mentioned above	25%

**2. Tax incentives and approval documents**

1. Nanjing Putiantianji Building Intelligence Co., Ltd. obtained the High-Tech Enterprise Certificate in December 2024, valid for three years, and will pay corporate income tax at a reduced rate of 15% for the 2024–2026 fiscal year.

2. Nanjing Putian Datang Information Electronics Co., Ltd. obtained its High-Tech Enterprise Certificate in November 2024, valid for three years, and will pay corporate income tax at a reduced rate of 15% for the 2024–2026 fiscal year.

3. Nanjing Putian Datang Information Electronics Co., Ltd. has been recognized as a software enterprise. Certain software products from Nanjing Putian Tianji Building Intelligence Co., Ltd. and

Nanjing Southern Telecommunications Co., Ltd. comply with the provisions of Document Cai Shui [2011] No.100 and are eligible for the value-added tax refund policy upon collection.

## V. Notes to the Consolidated Financial Statements Items

Unless otherwise specified, the following note items (including explanations for key items in the company's financial statements) use the following dates: "end of period" refers to December 31,2025; "end of prior year" refers to December 31,2024; "current period" refers to the fiscal year 2025; and "prior period" refers to the fiscal year 2024.

### 1. Cash and cash equivalents

project	ending balance	Year-end balance
bank deposit	7,271,675.43	1,123,773.79
other monetary funds	2,233,897.56	4,272,925.37
Funds deposited with the finance company	172,779,922.93	287,204,290.64
amount to	182,285,495.92	292,600,989.80

Note: Other monetary funds (restricted monetary funds): Bank acceptance bill deposit of 63,397.44 yuan, performance bond of 1,835,074.50 yuan, and special account fund of the Party Committee of 335,425.62 yuan.

### 2. Notes Receivable

#### (1) Classification and presentation of notes receivable

project	ending balance	Year-end balance
trade acceptance draft	18,006,988.67	570,577.84
subtotal	18,006,988.67	570,577.84
Less: Bad debt provision	778,489.58	28,528.89
amount to	17,228,499.09	542,048.95

(2) Receivable notes that have been endorsed or discounted at the end of the period and have not yet matured as of the balance sheet date

project	Amount of termination recognition at the end of the period	Amount not terminated for recognition at the end of the period
Bank Acceptance Bill	25,105,495.20	
trade acceptance draft		11,175,343.22
amount to	25,105,495.20	11,175,343.22

#### (3) Classified presentation according to the bad debt provisioning method

class	ending balance
-------	----------------

	book balance		bad debt provision		book value
	amount of money	Percentage (%)	amount of money	Proportion (%)	
receivable notes for which bad debt provisions are made on a combined basis	18,006,988.67	100.00	778,489.58	4.32	17,228,499.09
Among these: Commercial acceptance bills	18,006,988.67	100.00	778,489.58	4.32	17,228,499.09
amount to	18,006,988.67	100.00	778,489.58	4.32	17,228,499.09

① In the combination, accounts receivable notes are provided for bad debts based on the aging group.

project	ending balance		
	bill receivable	bad debt provision	Proportion (%)
Within 1 year	18,006,988.67	778,489.58	4.32

(4) Status of bad debt provisions

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrishment	Recover or Roll Back	Write-off or cancellation	
bad debt provision	28,528.89	749,960.69			778,489.58

### 3. Accounts Receivable

(1) Disclosure by aging of accounts

Account Age	ending balance	Year-end balance
Within 1 year	261,135,229.49	230,462,634.34
1 to 2 years	40,471,815.19	42,697,494.23
2 to 3 years	18,712,438.45	14,252,845.13
3 to 4 years	8,798,550.02	11,479,048.33
4 to 5 years	7,292,353.56	11,906,272.67
More than 5 years	179,431,638.23	171,103,837.44
subtotal	515,842,024.94	481,902,132.14
Less: Bad debt provision	192,255,102.92	188,366,805.80
amount to	323,586,922.02	293,535,326.34

(2) Classified presentation according to the bad debt provisioning method

class	ending balance
-------	----------------

	book balance		bad debt provision		book value
	amount of money	Percentage (%)	amount of money	Proportion (%)	
accounts receivable for which bad debt provisions are made on a per-item basis	76,050,649.46	14.74	76,050,649.46	100.00	
Accounts receivable for which bad debt provisions are made on a combined basis	439,791,375.48	85.26	116,204,453.46	26.42	323,586,922.02
Among these: Age of Account Portfolio	439,791,375.48	85.26	116,204,453.46	26.42	323,586,922.02
amount to	515,842,024.94	100.00	192,255,102.92	—	323,586,922.02

( continuous )

class	Year-end balance				
	book balance		bad debt provision		book value
	amount of money	Percentage (%)	amount of money	Proportion (%)	
accounts receivable for which bad debt provisions are made on a per-item basis	76,139,678.24	15.80	76,139,678.24	100.00	
Accounts receivable for which bad debt provisions are made on a combined basis	405,762,453.90	84.20	112,227,127.56	27.66	293,535,326.34
Among these: Age of Account Portfolio	405,762,453.90	84.20	112,227,127.56	27.66	293,535,326.34
amount to	481,902,132.14	100.00	188,366,805.80	—	293,535,326.34

① Accounts receivable for which a separate bad debt provision is made at the end of the period

Accounts Receivable (by Unit)	ending balance			
	book balance	bad debt provision	Proportion of Deduction	Calculation Basis
Dongpo Xi Laos Co., Ltd.	19,708,086.54	19,708,086.54	100.00	Not expected to be recovered
Xu Mou	17,591,683.74	17,591,683.74	100.00	Not expected to

Accounts Receivable (by Unit)	ending balance			
	book balance	bad debt provision	Proportion of Deduction	Calculation Basis
				be recovered
China Tower Co., Ltd.	13,819,926.92	13,819,926.92	100.00	Not expected to be recovered
Putian Information Technology Co., Ltd.	5,983,345.58	5,983,345.58	100.00	Not expected to be recovered
China Railway Communication and Signal Shanghai Engineering Group Co., Ltd.	3,527,803.35	3,527,803.35	100.00	Not expected to be recovered
other	15,419,803.33	15,419,803.33	100.00	Not expected to be recovered
amount to	76,050,649.46	76,050,649.46	—	—

Continue the table above

Accounts Receivable (by Unit)	Beginning balance			
	book balance	bad debt provision	Proportion of Deduction	Calculation Basis
Dongpo Xi Laos Co., Ltd.	19,708,086.54	19,708,086.54	100.00	Not expected to be recovered
Xu Mou	17,591,683.74	17,591,683.74	100.00	Not expected to be recovered
China Tower Co., Ltd.	13,819,926.92	13,819,926.92	100.00	Not expected to be recovered
Putian Information Technology Co., Ltd.	6,065,598.36	6,065,598.36	100.00	Not expected to be recovered
China Railway Communication and Signal Shanghai Engineering Group Co., Ltd.	3,534,579.35	3,534,579.35	100.00	Not expected to be recovered
other	15,419,803.33	15,419,803.33	100.00	Not expected to be recovered
amount to	76,139,678.24	76,139,678.24	—	—

② Accounts receivable for which bad debt provisions are calculated based on the aging group within the combination

project	ending balance		
	book balance	bad debt provision	Proportion (%)
Within 1 year	261,135,229.49	2,611,352.29	1.00
1 to 2 years	40,471,815.19	2,023,590.76	5.00
2 to 3 years	18,712,438.45	1,871,243.85	10.00
3 to 4 years	8,778,320.02	2,633,496.00	30.00
4 to 5 years	7,257,603.56	3,628,801.79	50.00
More than 5 years	103,435,968.77	103,435,968.77	100.00
amount to	439,791,375.48	116,204,453.46	—

Continue the table above

project	Year-end balance		
	book balance	bad debt provision	Proportion (%)
Within 1 year	230,462,634.34	2,304,644.02	1.00
1 to 2 years	42,697,494.23	2,134,874.72	5.00
2 to 3 years	14,232,615.13	1,423,261.51	10.00
3 to 4 years	11,444,298.33	3,433,289.50	30.00
4 to 5 years	7,988,708.14	3,994,354.08	50.00
More than 5 years	98,936,703.73	98,936,703.73	100.00
amount to	405,762,453.90	112,227,127.56	—

(3) Status of bad debt provisions

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrishment	Recover or Roll Back	Write-off or cancellation	
Accounts receivable for which bad debt provisions are made on a combined basis	112,227,127.56	3,977,325.90			116,204,453.46
accounts receivable for which bad debt provisions are	76,139,678.24		89,028.78		76,050,649.46

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrualment	Recover or Roll Back	Write-off or cancellation	
made on a per-item basis					
amount to	188,366,805.80	3,977,325.90	89,028.78		192,255,102.92

Among these: The amount of bad debt provisions recovered or reversed in this period is significant.

name of organization	Amount to be recovered or reversed	Recovery Method
Putian Information Technology Co., Ltd.	82,252.78	Recovered Amount
China Railway Communication and Signal	6,776.00	Recovered Amount
Shanghai Engineering Group Co., Ltd.		
amount to	89,028.78	—

(5) Details of the top five accounts receivable by the debtor's end-of-period balances

Debtor's Name	End-of-period balance of accounts receivable	Proportion (%) of the total ending balance of accounts receivable	End-of-period balance of bad debt provisions
Dongpo Xi Laos Co., Ltd.	19,708,086.54	3.82	19,708,086.54
Xu Mou	17,591,683.74	3.41	17,591,683.74
Shenzhen Huawang Enterprise Management Co., Ltd.	16,906,340.10	3.28	169,063.40
China United Network Communications Co., Ltd.	16,066,062.47	3.11	13,268,771.99
The 28th Research Institute of China Electronics Technology Group Corporation	15,663,961.54	3.04	399,668.76
amount to	85,936,134.39	16.66	51,137,274.43

#### 4. Receivables Financing

project	ending balance	Year-end balance
Bank Acceptance Bill	27,655,375.14	34,520,299.04

#### 5. Advance Payment

(1) Advance payments are presented by aging.

Account Age	ending balance		Year-end balance	
	amount of money	Percentage (%)	amount of money	Percentage (%)
Within 1 year	2,295,980.21	66.45	1,065,608.14	47.83

Account Age	ending balance		Year-end balance	
	amount of money	Percentage (%)	amount of money	Percentage (%)
1 to 2 years	414,362.15	11.99	372,381.12	16.72
2 to 3 years	101,166.16	2.93	298,603.89	13.40
More than 3 years	643,644.50	18.63	491,170.71	22.05
amount to	3,455,153.02	100.00	2,227,763.86	100.00

(2) Prepayment details for the top five accounts by end-of-period balance, categorized by prepayment recipient

name of organization	ending balance	Proportion (%) of the total ending balance of prepaid accounts
ZTE Corporation Limited	1,000,000.00	28.94
Yangzhou Titan Information Technology Co., Ltd.	342,390.00	9.91
Nanjing Changting Electronics Co., Ltd.	216,200.00	6.26
Guangdong Fudong Electronics Co., Ltd.	150,000.00	4.34
Huai'an Tianji Building Intelligence Co., Ltd.	130,692.09	3.78
amount to	1,839,282.09	53.23

## 6. Other Receivables

project	ending balance	Year-end balance
accounts receivable-other	5,239,886.21	6,859,962.77

### (1) Other Receivables

#### ① Disclosure by aging of accounts

Account Age	ending balance	Year-end balance
Within 1 year	3,789,466.81	3,841,863.96
1 to 2 years	1,296,226.51	883,895.77
2 to 3 years	451,282.77	2,516,560.12
3 to 4 years	2,398,096.46	1,374,910.44
4 to 5 years	3,465,507.76	1,293,768.78
More than 5 years	40,150,177.39	40,918,974.04
subtotal	51,550,757.70	50,829,973.11

Account Age	ending balance	Year-end balance
Less: Bad debt provision	46,310,871.49	43,970,010.34
amount to	5,239,886.21	6,859,962.77

② Classification by nature of funds

Nature of the Fund	End-of-period book balance	Book balance at the end of the previous year
Accounts Receivable and Payables	42,706,873.96	41,004,731.72
Deposit Guarantee Fund	7,619,798.27	8,623,995.84
Business travel petty cash fund	42,135.51	75,593.51
other	1,181,949.96	1,125,652.04
subtotal	51,550,757.70	50,829,973.11
Less: Bad debt provision	46,310,871.49	43,970,010.34
amount to	5,239,886.21	6,859,962.77

③ Provision for bad debts

bad debt provision	stage I	stage II	phase III	amount to
	Expected credit losses over the next 12 months	Expected credit losses throughout the entire duration (where no credit impairment has occurred)	Expected credit losses throughout the entire duration (incorporating already occurred credit impairment)	
Year-end balance		12,991,915.44	30,978,094.90	43,970,010.34
This period's accrual		2,340,861.15		2,340,861.15
ending balance		15,332,776.59	30,978,094.90	46,310,871.49

④ Status of bad debt provisions

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrishment	Recover or Roll Back	Write-off or cancellation	
stage I	12,991,915.44	2,340,861.15			15,332,776.59
stage II	30,978,094.90				30,978,094.90
amount to	43,970,010.34	2,340,861.15			46,310,871.49

⑤ Details of the top five other receivables by the debtor's accumulated ending balances

name of organization	Nature of the Fund	ending balance	Account Age	Proportion (%) of the total ending balance of other receivables	bad debt provision ending balance
Beijing Likang General Communication Equipment Co., Ltd.	Accounts Receivable and Payables	28,912,122.71	More than 5 years	56.08	28,912,122.71
Nanjing Putian Technology Co., Ltd.	Accounts Receivable and Payables	1,784,619.72	2-3 years: 21,306.39; 4-5 years: 50,4197.5; Over 5 years: 1,259,115.83	3.46	1,784,619.72
Nanjing Putian Communication Industrial Co., Ltd.	Accounts Receivable and Payables	805,545.63	More than 5 years	1.56	805,545.63
CITIC International Tendering Co., Ltd.	Deposit Guarantee Fund	558,788.50	Within one year	1.08	27,939.43
Nanjing Municipal Office for the Management of Wage Guarantee Funds for Migrant Workers in Construction Enterprises	Deposit Guarantee Fund	400,000.00	More than 5 years	0.78	400,000.00
amount to	—	32,461,076.56	—	62.96	31,930,227.49

## 7. Inventory

### (1) Inventory Classification

project	ending balance
---------	----------------

	book balance	Impairment provision for inventory value decline/Impairment provision for contract performance costs	book value
raw and processed material	14,141,796.23	8,238,010.07	5,903,786.16
goods in process	3,654,045.14	2,881,380.17	772,664.97
merchandise inventory	68,332,138.56	47,303,888.65	21,028,249.91
goods shipped in transit	80,194,291.90	49,355,227.23	30,839,064.67
Commissioned processing materials	4,198,338.62	804,691.99	3,393,646.63
amount to	170,520,610.45	108,583,198.11	61,937,412.34

( continuous )

project	Year-end balance		
	book balance	Impairment provision for inventory value decline/Impairment provision for contract performance costs	book value
raw and processed material	17,620,673.90	10,482,980.51	7,137,693.39
goods in process	3,406,609.65	2,881,380.17	525,229.48
merchandise inventory	79,400,394.27	48,287,969.61	31,112,424.66
goods shipped in transit	96,893,480.52	52,614,965.91	44,278,514.61
Commissioned processing materials	4,887,020.15	804,691.99	4,082,328.16
amount to	202,208,178.49	115,071,988.19	87,136,190.30

(2) Inventory impairment provision/Contract performance cost impairment provision

project	Year-end balance	Increase amount for this period		reduction amount for this period		ending balance
		Accrishment	other	Revert or write off	other	
raw and processed material	10,482,980.51	123,487.57		2,368,458.01		8,238,010.07

project	Year-end balance	Increase amount for this period		reduction amount for this period		ending balance
		Accrishment	other	Revert or write off	other	
goods in process	2,881,380.17					2,881,380.17
merchandise inventory	48,287,969.61	2,088,537.74		3,072,618.70		47,303,888.65
goods shipped in transit	52,614,965.91	25,663.72		3,285,402.40		49,355,227.23
Commissioned processing materials	804,691.99					804,691.99
amount to	115,071,988.19	2,237,689.03		8,726,479.11		108,583,198.11

#### 8. Other current assets

project	ending balance	Year-end balance
Input tax amount to be deducted	2,034,749.70	1,085,488.28
advance payment of income tax	162,034.21	141,091.78
amount to	2,196,783.91	1,226,580.06

#### 9. Long-term equity investment

Invested entity	Year-end balance	Changes in this period				
		additional investment	disinvestment	Investment gains and losses recognized under the equity method	Other Comprehensive Income Adjustments	Other changes in equity
I. Joint Venture Enterprise						
Nanjing Puzhu Guang Network Co., Ltd.	10,412,683.37		10,412,571.93	-111.44		
amount to	10,412,683.37		10,412,571.93	-111.44		

( continuous )

Invested entity	Changes in this period			ending balance	End-of-period balance of impairment provision
	Announcement of cash dividend or profit distribution	Make an impairment provision	other		
I. Joint Venture Enterprise					
Nanjing Puzhu Guang Network Co., Ltd.					
amount to					

## 10. Investments in Other Equity Instruments

### (1) Investment in other equity instruments

project	ending balance	Year-end balance
Hangzhou Hongyan Electric Appliance Co., Ltd.	321,038.00	321,038.00
Nanjing Yuhua Electroplating Factory	420,915.00	420,915.00
Beijing Likang General Communication Equipment Co., Ltd.		
amount to	741,953.00	741,953.00

The company's equity investments in Nanjing Yuhua Electroplating Factory, Hangzhou Hongyan Electric Appliance Co., Ltd., and Beijing Likang General Information Equipment Co., Ltd. constitute non-trading equity instrument investments. Consequently, the company classifies these investments as equity instruments measured at fair value with changes recognized in other comprehensive income.

## 11. Investment property

### (1) Investment property measured at cost

project	Houses and buildings
I. Original Book Value	
Year-end balance	20,011,121.96
Increase amount for this period	
reduction amount for this period	
ending balance	20,011,121.96
II. Cumulative Depreciation and Cumulative Amortization	
Year-end balance	14,463,883.49

project	Houses and buildings
Increase amount for this period	569,967.75
Of which: provision for or amortization	569,967.75
reduction amount for this period	
ending balance	15,033,851.24
III. Impairment Provision	
IV. Book Value	
End-of-period book value	4,977,270.72
Book value at the end of the previous year	5,547,238.47

## 12. Fixed Assets

project	ending balance	Year-end balance
fixed assets	84,173,058.11	85,757,024.11

### (1) Fixed Assets

#### ① Fixed Assets Status

project	Houses and Buildings	machinery equipment	Electronic Equipment	conveyer	Other devices	amount to
Original book value						
Year-end balance	103,626,682.38	46,373,354.29	19,268,720.26	3,091,621.11	16,511,028.71	188,871,406.75
Increase amount for this period	129,158.73	3,666,276.45	2,446,951.35		32,037.17	6,274,423.70
Including: Purchase	129,158.73	3,666,276.45	1,203,123.51		32,037.17	5,030,595.86
other			1,243,827.84			1,243,827.84
reduction amount for this period	570,141.84	1,413,219.48	3,262,232.81		292,412.61	5,538,006.74
Of which: disposal or scrapping	258,017.84	481,515.64	3,262,232.81		292,412.61	4,294,178.90
other	312,124.00	931,703.84				1,243,827.84
ending balance	103,185,699.27	48,626,411.26	18,453,438.80	3,091,621.11	16,250,653.27	189,607,823.71
accumulated depreciation						
Year-end balance	39,201,918.08	27,206,704.70	17,503,996.98	2,907,256.15	15,568,544.17	102,388,420.08
Increase amount	3,916,994.34	1,470,385.63	1,093,280.24	50,634.18	131,642.99	6,662,937.38

project	Houses and Buildings	machinery equipment	Electronic Equipment	conveyer	Other devices	amount to
for this period						
Of which:	3,916,994.34	1,203,788.38	1,093,280.24	50,634.18	131,642.99	6,396,340.13
provision made						
other		266,597.25				266,597.25
reduction amount for this period	391,060.76	467,752.78	3,198,912.94		284,827.94	4,342,554.42
Of which: disposal or scrapping	124,463.52	467,752.78	3,198,912.94		284,827.94	4,075,957.18
other	266,597.24					266,597.24
ending balance	42,727,851.66	28,209,337.55	15,398,364.28	2,957,890.33	15,415,359.22	104,708,803.04
Impairment Provision						
Year-end balance	539,124.00	11,550.65			175,287.91	725,962.56
Increase amount for this period						
reduction amount for this period						
ending balance	539,124.00	11,550.65			175,287.91	725,962.56
book value						
End-of-period book value	59,918,723.61	20,405,523.06	3,055,074.52	133,730.78	660,006.14	84,173,058.11
Book value at the end of the previous year	63,885,640.30	19,155,098.94	1,764,723.28	184,364.96	767,196.63	85,757,024.11

② Status of temporarily idle fixed assets

project	Original book value	accumulated depreciation	Impairment Provision	book value	remarks
machinery equipment	212,485.00	196,288.30	11,169.15	5,027.55	
conveyer	36,000.00	34,920.00		1,080.00	
other	342,985.18	157,407.73	175,287.91	10,289.54	
amount to	591,470.18	388,616.03	191,484.61	16,397.09	

③ Fixed assets leased out through operating leases

project	End-of-period book value
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project	End-of-period book value
Houses and Buildings	18,016,866.08

④ Status of fixed assets for which the property ownership certificate has not been obtained

project	book value	Reasons for the failure to obtain the property ownership certificate
Houses and Buildings	2,394,650.45	Still being processed

**13. Right-to-Use Assets**

project	Houses and Buildings
Original book value	
Year-end balance	2,686,684.00
This year's increase amount	
This year's reduction amount	
year end balance	2,686,684.00
accumulated depreciation	
Year-end balance	238,890.96
This year's increase amount	260,608.32
Of which: provision made	260,608.32
This year's reduction amount	
year end balance	499,499.28
Impairment Provision	
Year-end balance	
This year's increase amount	
This year's reduction amount	
year end balance	
book value	
Year-end book value	2,187,184.72
Book value at the end of the previous year	2,447,793.04

**14. Intangible Assets**

(1) Information on Intangible Assets

project	land use right	software	amount to
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project	land use right	software	amount to
Original book value			
Year-end balance	14,116,846.37	10,452,159.22	24,569,005.59
Increase amount for this period			
reduction amount for this period			
ending balance	14,116,846.37	10,452,159.22	24,569,005.59
accumulated amortization			
Year-end balance	3,648,432.30	9,248,248.59	12,896,680.89
Increase amount for this period	334,875.36	133,478.76	468,354.12
Of which: provision made	334,875.36	133,478.76	468,354.12
reduction amount for this period			
ending balance	3,983,307.66	9,381,727.35	13,365,035.01
Impairment Provision			
book value			
End-of-period book value	10,133,538.71	1,070,431.87	11,203,970.58
Book value at the end of the previous year	10,468,414.07	1,203,910.63	11,672,324.70

#### 15. Long-term prepaid expenses

project	Year-end balance	Increase amount for this period	Amortization amount for this period	Other reduction amount	ending balance
Expenditure on renovation and modification	2,076,305.95	1,897,965.96	919,639.72		3,054,632.19

#### 16. Deferred income tax assets/deferred income tax liabilities

(1) Details of unconfirmed deferred tax assets

project	ending balance	Year-end balance
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project	ending balance	Year-end balance
Deductible temporary differences	349,948,134.66	349,457,805.78
Deductible loss	178,094,465.64	160,136,771.28
amount to	528,042,600.30	509,594,577.06

(2) The deductible losses of unconfirmed deferred tax assets shall mature in the following years.

a particular year	ending balance	Year-end balance	remarks
2026	58,332,948.84	58,332,948.84	
2027	46,663,704.85	46,663,704.85	
2028	34,598,495.25	34,598,495.25	
2029	1,622,476.49	5,269,870.68	
2030	20,701,608.36	1,188,328.53	
2031	9,571,047.64	9,571,047.64	
2032	3,128,208.76	3,128,208.76	
2033	1,792,957.22	1,792,957.22	
2034	1,683,018.23		
amount to	178,094,465.64	160,545,561.77	

#### 17. Other non-current assets

project	ending balance	Year-end balance
Prepayment for the acquisition of long-term assets		719,280.00

#### 18. Assets with restricted ownership or usage rights

project	End-of-period book value	Limitation Reason
monetary resources	2,233,897.56	Bank acceptance bill margin, performance bond and special account funds of the Party Committee
fixed assets	52,986,451.08	mortgage
immaterial assets	4,901,288.52	mortgage
amount to	60,121,637.16	

Note: For details on the mortgage status of fixed assets and intangible assets, refer to Note 19; for short-term loans, see the relevant section.

#### 19. Short-term loan

(1) Classification of Short-Term Loans

project	ending balance	Year-end balance
mortgage loan	93,874,324.80	49,299,759.96

project	ending balance	Year-end balance
Credit Loan	108,861,610.37	78,828,227.79
bill receivable	1,189,786.81	
amount to	203,925,721.98	128,127,987.75

Note: 1. The Company obtained a loan of RMB 14.7641 million by mortgaging the property located at No.8 Fenghui Avenue, Yuhuatai District, Nanjing, and the land use rights within its premises; it also pledged the equity stake of 56.28% in Nanjing Southern Telecommunications Co., Ltd. (corresponding to an investment amount of RMB 28.5340 million) to its parent company, China Electronics Guorui Group Co., Ltd., to secure a loan of RMB 66.8 million; 2. The subsidiary Nanjing Putian Tianji Building Intelligence Co., Ltd. obtained a loan of RMB 10.5 million by mortgaging three properties and the land use rights located at No.18 Songgang Street, Moling Subdistrict, Jiangning District; 3. The subsidiary Nanjing Putian Datang Information Electronics Co., Ltd. obtained a loan of RMB 1.75 million by mortgaging the property at No.8 Fenghui Avenue, Yuhuatai District, Nanjing, and the land use rights within its premises.

## 20. Payable Notes

kind	ending balance	Year-end balance
trade acceptance draft	446,679.01	1,809,060.50
Bank Acceptance Bill	6,328,555.16	8,313,165.25
amount to	6,775,234.17	10,122,225.75

## 21. Accounts Payable

### (1) Presentation of Accounts Payable

project	ending balance	Year-end balance
Within 1 year (inclusive)	206,129,313.63	268,987,560.21
More than 1 year	67,252,993.23	80,354,619.00
amount to	273,382,306.86	349,342,179.21

### (2) Significant accounts payable with an aging period exceeding 1 year

project	ending balance	Reasons for the outstanding or untransferred amounts
China Putian Information Industry Co., Ltd.	14,918,045.42	Not yet at the payment node

## 22. Advance Payments

### (1) Presentation of advance receipts

project	ending balance	Year-end balance
Within 1 year (inclusive)	295,001.06	236,005.32

## 23. Contract Liabilities

(1) Contractual Liabilities

project	ending balance	Year-end balance
Advanced Payment	9,264,082.89	27,919,961.45
Less: Deferred sales tax to be written off (Note 5, 28)	837,769.44	3,125,042.32
amount to	8,426,313.45	24,794,919.13

**24. Employee Compensation Payable**

(1) Presentation of Employee Compensation Payables

project	Year-end balance	Add to this issue	Reduce in this period	ending balance
Short-term compensation	17,066,962.98	104,395,263.90	108,839,944.39	12,622,282.49
Post-employment Benefits – Establish a Savings Plan		16,522,208.41	16,522,208.41	
Resignation benefits		3,742,433.63	3,742,433.63	
amount to	17,066,962.98	124,659,905.94	129,104,586.43	12,622,282.49

(2) Presentation of Short-Term Compensation

project	Year-end balance	Add to this issue	Reduce in this period	ending balance
Salaries, bonuses, allowances, and subsidies	3,625,349.25	79,586,108.37	83,211,457.50	0.12
employee services and benefits		2,251,999.49	2,251,999.49	
Social Insurance Contributions		7,018,805.71	7,018,805.71	
Of which: Medical insurance premium		6,093,993.95	6,093,993.95	
Work-related injury insurance premium		493,037.41	493,037.41	
Maternity insurance premium		431,774.35	431,774.35	
housing fund	3,216,865.05	7,824,885.82	7,824,885.82	3,216,865.05
Trade union funds and employee education funds	10,209,752.15	455,385.87	1,274,717.23	9,390,420.79
Other short-term compensation	14,996.53	7,258,078.64	7,258,078.64	14,996.53
amount to	17,066,962.98	104,395,263.90	108,839,944.39	12,622,282.49

(3) Establishment of a Deposit Plan and Its Presentation

project	Year-end balance	Add to this issue	Reduce in this period	ending balance
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project	Year-end balance	Add to this issue	Reduce in this period	ending balance
basic retirement security		15,484,038.01	15,484,038.01	
unemployment insurance expense		648,619.80	648,619.80	
Corporate Annuity Contribution		389,550.60	389,550.60	
amount to		16,522,208.41	16,522,208.41	

### 25. Taxes and fees payable

project	ending balance	Year-end balance
added-value tax	4,364,752.36	5,469,015.04
business income taxes	449,719.44	1,426,860.42
building taxes	313,001.13	351,313.55
Land Use Tax	81,827.95	80,701.94
income tax for individuals	123,313.16	189,374.87
urban maintenance & construction tax	386,451.15	493,348.10
extra charges of education funds	182,799.53	210,880.61
Local Education Surcharge	93,237.01	140,868.41
Other taxes and fees	47,096.07	97,329.58
amount to	6,042,197.80	8,459,692.52

### 26. Other Payables

project	ending balance	Year-end balance
dividends payable	11,044,600.00	
accounts payable-others	37,987,466.18	41,918,074.35
amount to	49,032,066.18	41,918,074.35

#### (1) Dividends payable

project	ending balance	Year-end balance
common stock dividends	11,044,600.00	

#### (2) Other Payables

① Listed by nature of the payment

project	ending balance	Year-end balance
accounts receivable payable	25,867,467.58	31,279,667.14
Unpaid installation costs	12,937.00	87,519.38
Deposit Guarantee Fund	3,990,787.59	3,467,780.26
Operating expenses	6,833,831.60	6,279,652.71

project	ending balance	Year-end balance
other	1,282,442.41	803,454.86
amount to	37,987,466.18	41,918,074.35

② Other significant payables with an aging period exceeding 1 year

project	ending balance	Reasons for the outstanding or untransferred amounts
China Putian Information Industry Group Co., Ltd.	9,591,612.50	The settlement conditions have not been met.

**27. Non-current liabilities maturing within one year**

project	ending balance	Year-end balance
Long-term loans maturing within 1 year (Note 5, 29)	70,060,958.33	86,988,463.61
Lease liabilities maturing within 1 year (Note 5, 30)	838,955.39	1,072,195.82
amount to	70,899,913.72	88,060,659.43

**28. Other current liabilities**

project	ending balance	Year-end balance
Tax payable for write-off	837,769.44	3,125,042.32
Revert at the end of the period the endorsed and transferred commercial acceptance bills and drafts that have not yet matured.	9,985,556.41	
accrued expenses	97,087.38	
amount to	10,920,413.23	3,125,042.32

**29. Long-term loan**

project	ending balance	Year-end balance	Interest rate range (%)
Pledge Loan	70,000,000.00	86,907,415.00	4.05%
guaranteed loan		70,081,048.61	3.75-3.80
Less: Long-term borrowings due within one year (Note 5, 27)	70,000,000.00	86,988,463.61	
amount to		70,000,000.00	

Note: The parent company, China Electric Guorui Group Co., Ltd., provided a guarantee for the company's loan from China Electronic Technology Finance Co., Ltd.

**30. Leasing Liabilities**

project	Year-end	Increased this year	Reduced this	year end
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		New Lease	This year's interest	other		
machinery equipment	1,912,569.78				1,073,614.39	838,955.39
Less: Lease liabilities due within one year (Note 5, 27)	1,072,195.82	—	—		—	838,955.39
amount to	840,373.96	—	—		—	

### 31. Paid-in Capital

Investor Name	Year-end balance	Add to this issue	Reduce in this period	ending balance
Total Number of Shares	215,000,000.00			215,000,000.00

### 32. Capital Reserve

project	Year-end balance	Add to this issue	Reduce in this period	ending balance
capital stock premium	137,786,640.63			137,786,640.63
Other Capital Reserve	60,169,226.95	3,362,261.03		63,531,487.98
amount to	197,955,867.58	3,362,261.03		201,318,128.61

Note: This year, the reversal of previously accrued housing purchase subsidies that were not payable resulted in an increase in capital reserve by RMB 3,362,261.03.

### 33. Inventory shares

project	Beginning balance	Increase amount for this period	reduction amount for this period	ending balance
Share Repurchase	2,995,076.96			2,995,076.96

### 34. Other Comprehensive Income

project	End of last year balance	Amount of Transactions in This Period					end of term balance
		current period Amount incurred before income tax	reduction: originally recognized in other comprehensive income, transferred to profit or loss (or retained earnings) in the current period	Less: Income Tax Expense	After-tax amount attributable to the parent company	After-tax amount attributable to minority shareholders	
Other comprehensive income reclassified into profit or loss	-1,854,910.00						-1,854,910.00
Of which: the amount of financial asset	-1,854,910.00						-1,854,910.00

project	End of last year balance	Amount of Transactions in This Period					end of term balance
		current period Amount incurred before income tax	reduction: originally recognized in other comprehensive income, transferred to profit or loss (or retained earnings) in the current period	Less: Income Tax Expense	After-tax amount attributable to the parent company	After-tax amount attributable to minority shareholders	
reclassification recognized in other comprehensive income							

### 35. Surplus Reserve

project	Year-end balance	Add to this issue	Reduce in this period	ending balance
Legal surplus reserve	589,559. 77			589,559.77

### 36. Undistributed Profits

project	current period	prior period
Undistributed profits at the end of the previous year before adjustment	-394,344,427.37	-405,721,306.51
Adjusted undistributed profit at the end of the previous year	-394,344,427.37	-405,721,306.51
Total: Net profit attributable to the parent company's shareholders for this period	-9,462,362.33	11,376,879.14
Subtract: Withdrawal of statutory surplus reserve		
Extract the discretionary surplus reserve		
Extract general risk provision		
Dividend payable for common stock		
Dividends in the form of ordinary shares converted into equity capital		
End-of-period undistributed profits	-403,806,789.70	-394,344,427.37

### 37. Operating revenue and operating costs

#### (1) Operating Revenue and Operating Costs

project	Amount for this period		Previous period amount	
	income	prime cost	income	prime cost
main business	607,507,744.76	483,796,308.13	783,845,853.95	620,010,069.86

project	Amount for this period		Previous period amount	
	income	prime cost	income	prime cost
Other Businesses	10,131,740.20	3,724,088.82	27,824,673.46	15,214,660.19
amount to	617,639,484.96	487,520,396.95	811,670,527.41	635,224,730.05

## (2) Table of Operating Revenue Deductions

project	this year	Specific deduction details	previous year	Specific deduction details
Operating Revenue Amount	617,639,484.96		811,670,527.41	
Total amount of operating revenue minus all items	9,547,500.84		15,106,674.24	
Proportion (%) of total itemized operating revenue to total operating revenue	1.55	/	1.86	/
I. Business revenue unrelated to the core business				
1. Income from non-core business activities. This includes revenue generated from leasing fixed assets, intangible assets, or packaging materials; selling materials; exchanging materials for non-monetary assets; providing entrusted management services; and other income that, although recorded as part of core business revenue, falls outside the normal operations of the listed company.	9,547,500.84	The rental income from property leasing and tenant utilities amounted to RMB 5,419,449.16; material sales revenue was RMB 3,596,017.60; and software services and other income totaled RMB 532,034.08.	15,106,674.24	The rental income from property leasing and tenant utilities amounted to RMB 9,902,731.72; material sales revenue was RMB 4,213,608.92; and software services and other income totaled RMB 990,333.60.
Subtotal of business revenue unrelated to the main business	9,547,500.84		15,106,674.24	
II. Income without commercial substance				
III. Other income that is unrelated to the main business or lacks commercial substance				
Net operating revenue after deductions	608,091,984.12		796,563,853.17	

(3) Income and Cost Breakdown Information

Income Category	Amount for this period		Previous period amount	
	income	prime cost	income	prime cost
Classified by business type				
communications industry	612,283,394.66	486,148,821.14	708,949,979.63	561,406,842.78
Electrical Industry			92,817,798.06	72,832,536.55
amount to	612,283,394.66	486,148,821.14	801,767,795.69	634,239,379.33
Classification by sales channel				
Direct Sale	402,638,086.88	320,406,125.53	511,195,634.82	404,532,326.74
distribution	209,645,307.78	165,742,695.61	290,572,160.87	229,707,052.59
amount to	612,283,394.66	486,148,821.14	801,767,795.69	634,239,379.33

(4) Description of Performance Obligations

project	Fulfill performance obligations	Important payment terms	The nature of the goods for which the company undertakes to transfer ownership	Are you the primary responsible party?	The amount expected to be refunded to the customer by the company	The type of quality assurance provided by the company and the corresponding obligations
Sell video conferencing products	Customer acceptance project or signed goods	Make installment payments according to the time nodes specified in the contract.	Video conferencing product	yes	not have	Warranty period: Warranty
Comprehensive Distribution Cable System Products	Customer receives the goods	Make installment payments according to the time nodes specified in the contract.	Integrated Cabling Products	yes	not have	Warranty period: Warranty
Sales of basic communication and networking products	Customer acceptance project or signed goods	Make installment payments according to the time nodes specified in the contract.	Basic Communication Products	yes	not have	Warranty period: Warranty
Provide construction services	According to the progress of contract fulfillment	Make installment payments according to the time nodes specified in the contract.	Integrated Cabling Products	yes	not have	Warranty period: Warranty
Provide maintenance services	According to the progress of contract fulfillment	Make installment payments according to the time nodes specified in the contract.	Maintenance and Other Services	yes	not have	not have

(5) Explanation of allocation to the remaining performance obligations

At the end of this reporting period, the revenue corresponding to performance obligations that have been signed but not yet performed or fully performed amounted to RMB 131.3714 million, of which: RMB 96.1169 million is expected to be recognized as revenue in fiscal year 2026; and RMB 35.2545 million is expected to be recognized as revenue in fiscal year 2027.

**38. Taxes and Surcharges**

project	Amount for this period	Previous period amount
building taxes	1,113,060.03	2,013,656.63
urban maintenance & construction tax	1,034,092.50	1,572,198.38
extra charges of education funds	574,825.93	831,597.75
Local Education Surcharge	165,874.37	291,923.55
Land Use Tax	328,434.78	497,743.11
stamp duty	411,523.84	531,489.95
other	199,641.22	389,503.08
amount to	3,827,452.67	6,128,112.45

Note: The calculation standards for various taxes and surcharges are detailed in Note 4, "Taxes."

**39. Selling Expenses**

project	Amount for this period	Previous period amount
employee compensation	40,148,437.58	48,581,858.41
Business entertainment expenses	3,423,577.14	7,730,139.58
travel expense	4,134,554.60	4,392,780.47
administrative expenses	2,970,563.85	3,573,822.57
Sales Service Fee	978,297.95	914,243.41
Business Promotion Expenses	558,817.56	121,693.68
Meeting fee	301,611.32	249,286.74
Device Maintenance Fee		18,130.65
other	3,120,215.45	6,174,813.47
amount to	55,636,075.45	71,756,768.98

**40. Administrative Expenses**

project	Amount for this period	Previous period amount
employee compensation	32,254,650.18	42,541,907.68
Depreciation and Amortization	3,784,927.63	5,175,912.59
Consultation and intermediary fees	2,533,652.05	5,515,617.75

project	Amount for this period	Previous period amount
administrative expenses	1,382,829.17	3,939,247.88
Leasing and property fees	830,762.18	2,108,251.75
Business entertainment expenses	292,885.04	581,870.76
travel expense	215,024.33	568,331.70
other	2,363,392.85	1,844,769.79
amount to	43,658,123.43	62,275,909.90

#### 41. R&D expenses

project	Amount for this period	Previous period amount
employee compensation	23,367,004.89	28,521,143.99
Interim trial fee	1,512,348.46	1,541,213.73
travel expense	1,070,452.09	1,211,814.77
Material Request	775,418.71	748,668.74
Depreciation and Amortization	888,456.28	942,670.55
other	1,595,117.28	1,885,323.46
amount to	29,208,797.71	34,850,835.24

#### 42. Financial Expenses

project	Amount for this period	Previous period amount
interest expense	8,748,305.48	10,723,524.38
Subtraction: Interest Income	452,186.54	639,938.05
exchange loss	4,867.97	-1,150.08
Less: Exchange gains		
Service charge expenditure	296,566.30	81,356.02
amount to	8,597,553.21	10,163,792.27

#### 43. Other Income

project	Amount for this period	Previous period amount	The amount included in the non-recurring gains and losses for the current period
Government subsidies related to the daily operations of enterprises	2,780,647.16	911,728.87	1,951,399.86
Additional VAT deduction for advanced manufacturing industries	1,772,849.83	1,862,254.79	

project	Amount for this period	Previous period amount	The amount included in the non-recurring gains and losses for the current period
Refund of the personal income tax withholding fee	47,386.39	9,574.65	
amount to	4,600,883.38	2,783,558.31	1,951,399.86

The details of government subsidies are as follows:

Subsidy Project	Amount for this period	Previous period amount	Asset-related/Income-related
Software Tax Refund	829,247.30	546,711.46	Related to income
Special Fund for Industrial Transformation and Upgrading	500,000.00	30,000.00	Related to income
Jiangsu Province: Specialized, Advanced, Unique, and Innovative	500,000.00	52,000.00	Related to income
Tengfei Policy Incentive	450,826.50		Related to income
Special Subsidy for Enterprise Upgrade Services	350,000.00		Related to income
Job Stability Subsidy	85,584.00	109,426.00	Related to income
High-tech enterprise subsidies	50,000.00		Related to income
Development Economics Department Expenses		50,000.00	Related to income
奖励 for Digital Economy Military Qualification Certification		50,000.00	Related to income
other	14,989.36	73,591.41	Related to income

#### 44. Investment Return

project	Amount for this period	Previous period amount
Gains from long-term equity investments accounted for using the equity method	-111.44	-5.77
Investment income generated from long-term equity investments	7,389,153.73	50,832,148.02
收益 from debt restructuring	643,686.83	1,514,624.88
other	5,416.29	-50,223.40
amount to	8,038,145.41	52,296,543.73

#### 45. Credit impairment loss

project	Amount for this period	Previous period amount
Bad debt loss on notes receivable	-749,960.69	-2,548,249.56
Loss on bad debts of accounts receivable	-3,888,297.12	-4,263,347.36
Other receivables bad debt losses	-2,340,861.15	-822,788.59

project	Amount for this period	Previous period amount
amount to	-6,979,118.96	-7,634,385.51

#### 46. Asset impairment loss

project	Amount for this period	Previous period amount
loss on inventory	-2,237,689.03	-14,428,752.85

#### 47. Income from asset disposal

project	Amount for this period	Previous period amount	The amount included in the non-recurring gains and losses for the current period
Gains or losses from the disposal of fixed assets	5,359,026.59	1,083,098.78	5,359,026.59

#### 48. Non-operating income

project	Amount for this period	Previous period amount	The amount included in the non-recurring gains and losses for the current period
Unpayable accounts payable	2,219,780.87	3,498,793.46	2,219,780.87
Fines Revenue	72,147.00	79,732.91	72,147.00
other	708,819.12	4,905.66	708,819.12
amount to	3,000,746.99	3,583,432.03	3,000,746.99

#### 49. Non-operating expenses

project	Amount for this period	Previous period amount	The amount included in the non-recurring gains and losses for the current period
Late payment penalty expenses	5,635.24	3,306.68	5,635.24
Fines expenditure		25,000.00	
other	517,268.31	3,638,975.61	517,268.31
amount to	522,903.55	3,667,282.29	522,903.55

#### 50. Income Tax Expense

(1) Income Tax expense statement

project	Amount for this period	Previous period amount
Current income tax expense	1,204,086.83	2,934,143.89
Deferred income tax expense		
other	154,333.67	246,161.16
amount to	1,358,420.50	3,180,305.05

(2) The adjustment process between accounting profit and income tax expense

project	Amount for this period
total profit	450,176.37
Income tax expense calculated based on the statutory/applicable tax rate	112,544.09
The impact of applying different tax rates to subsidiaries	-1,687,628.12
Adjustment for the impact of income tax from prior periods	
The impact of non-taxable income	
The impact of non-deductible costs, expenses, and losses	1,066,745.64
Assess the impact of unconfirmed deferred tax assets on deductible losses in the initial period	
This year, no impact of deductible temporary differences or deductible losses related to deferred tax assets was recognized.	4,926,244.59
The impact of the additional deduction for research and development expenses	-3,059,485.70
Income Tax Fee	1,358,420.50

**51. Items in the Cash Flow Statement**

(1) Receipt of other cash related to operating activities

project	Amount for this period	Previous period amount
public subsidy	1,951,399.86	325,259.82
interest revenue	452,186.54	639,938.05
Receiving and Paying Accounts	30,462,830.20	32,939,753.75
other	4,085,739.25	9,153,979.71
amount to	36,952,155.85	43,058,931.33

(2) Payment of other cash related to operating activities

project	Amount for this period	Previous period amount
out-of-pocket expenses	28,400,566.70	50,687,399.27
Receiving and Paying Accounts	28,883,722.23	30,830,777.55
other	2,333,599.27	3,923,916.79

project	Amount for this period	Previous period amount
amount to	59,617,888.20	85,442,093.61

(3) Payment of other cash related to investment activities

project	Amount for this period	Previous period amount
Pay the expenses related to the payment and settlement subsidiary.		405,500.00

(4) Payment of other cash related to financing activities

project	Amount for this period	Previous period amount
Pay the rental fee	1,287,438.87	916,760.88
Stock Repurchase		2,997,498.00
amount to	1,287,438.87	3,914,258.88

(5) Changes in various liabilities arising from financing activities

project	Beginning balance	Add to this issue		Reduce in this period		ending balance
		Cash Change	Non-cash changes	Cash Change	Non-cash changes	
money borrowed for short time	128,127,987.75	202,614,067.87	3,817,197.35	130,633,530.99		203,925,721.98
money borrowed for long term	70,000,000.00		3,674,008.33	3,613,050.00	70,060,958.33	
Leasing liabilities (including leasing liabilities maturing within 1 year)	840,373.96		1,136,020.30	1,137,438.87		838,955.39
notes payable			14,954.96	14,954.96		
accounts payable-others	1,224,880.89		150,000.00	1,374,880.89		
Non-current liabilities maturing within one year	88,060,659.43		72,339,015.56	89,266,520.84	1,072,195.82	70,060,958.33
amount to	288,253,902.03	202,614,067.87	81,131,196.50	226,040,376.55	71,133,154.15	274,825,635.70

**52. Supplementary Information to the Cash Flow Statement**

(1) Supplementary Information to the Cash Flow Statement

Supplementary Information	Amount for this period	Previous period amount
<b>1. Adjust net profit to operating cash flow:</b>		
net margin	-908,244.13	22,106,285.67
Add: Asset impairment provision	2,237,689.03	14,428,752.85
Credit impairment loss	6,979,118.96	7,634,385.51

Supplementary Information	Amount for this period	Previous period amount
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets, depreciation of right-of-use assets	7,226,916.20	8,414,965.46
amortization of intangible assets	468,354.12	814,279.13
Amortization of long-term prepaid expenses	919,639.72	950,185.51
Losses (or gains) from disposal of fixed assets, intangible assets, and other long-term assets (marked with a "-" sign)	-5,359,026.59	-1,083,098.78
Fixed asset disposal loss (profit entered with a "-" sign)		
Loss on change in fair value (profit/loss indicated with a "-" sign)		
Financial expenses (report revenue with a "-" sign)	8,748,305.48	10,723,524.38
Investment loss (profit is indicated with a "-")	-8,038,145.41	-52,296,543.73
Decrease in deferred tax assets (enter with a "-")		
Increase in deferred tax liability (reduce by entering a negative sign)		
reduction in inventory (increase indicated with a "-")	31,687,568.04	37,599,818.54
Decrease in operating receivables (enter with a "-" sign for an increase)	-62,656,023.57	-23,477,786.08
Increase in operating payable items (减少 items are indicated with a "-").	-68,579,422.44	-43,011,110.86
other		
Net cash flow from operating activities	-87,273,270.59	-17,196,342.40
<b>2. Major investment and financing activities not involving cash receipts or payments:</b>		
Debt converted into capital		
convertible corporate bonds maturing within one year		
fixed assets under financing lease		
<b>3. Net change in cash and cash equivalents:</b>		
End-of-period cash balance	180,051,598.36	288,328,064.43
Less: The balance of cash at the end of the previous year	288,328,064.43	164,177,680.11

Supplementary Information	Amount for this period	Previous period amount
Add: The ending balance of cash equivalents		
Less: The balance of cash equivalents at the end of the previous year		
Net increase in cash and cash equivalents	-108,276,466.07	124,150,384.32

(2) Cash received or paid related to significant investment activities

Nature	Amount for this period	Previous period amount
Cash paid for important investment activities		
Pay the expenses related to the payment and settlement subsidiary.		405,500.00

(3) Composition of cash and cash equivalents

project	ending balance	Year-end balance
Cash	180,051,598.36	288,328,064.43
Among these: Bank deposits available for payment at any time.	180,051,598.36	288,328,064.43

**53. Foreign currency monetary items**

(1) Foreign currency monetary items

project	End-of-period foreign currency balance	Conversion Exchange Rate	End-of-period converted RMB balance
monetary resources			
Of which: US dollar	30,525.13	7.0288	214,555.03
HongKong dollar	10.33	0.90322	9.33

**54. Lease**

(1) The Company, as the lessee

① For details on right-of-use assets and lease liabilities, refer to Notes 5, 13, and 30 of this document.

② Included in the current year's profit and loss

project	Included in the current year's profit and loss	
	Reporting Item	amount of money
Interest on lease liabilities	cost of financing	63,824.48

③ Cash flow outflows related to leasing

project	Cash Flow Category	This year's amount
Cash paid to repay the principal and interest of lease liabilities	Cash outflow from financing activities	1,287,438.87

**(2) The Company acts as the lessor**

① Information related to operating leases

A. Items included in the current year's profit and loss

project	Included in the current year's profit and loss	
	Reporting Item	amount of money
Lease Income	operating receipt	5,356,090.30

**VI. R&D Expenses**

1. Cost-based R&D expenditures

project	Amount for this period	Previous period amount
employee compensation	23,367,004.89	28,521,143.99
travel expense	1,070,452.09	1,211,814.77
Depreciation and Amortization	888,456.28	942,670.55
Material Request	775,418.71	748,668.74
Interim trial fee	1,512,348.46	1,541,213.73
design fee		6,000.00
other	1,595,117.28	1,879,323.46
amount to	29,208,797.71	34,850,835.24

**VII. Interests in Other Entities**

1. Composition of an Enterprise Group

Subsidiary Name	Registered Capital (ten thousand yuan)	Primary place of business	Registered Address	Nature of Business	shareholding ratio (%)		Method of Acquisition
					direct	indirect	
Nanjing Southern Telecommunications Co., Ltd.	5,070.00	Nanjing City	Nanjing City	manufacturing industry	96.99%	3.01%	establish

Subsidiary Name	Registered Capital (ten thousand yuan)	Primary place of business	Registered Address	Nature of Business	shareholding ratio (%)		Method of Acquisition
					direct	indirect	
Nanjing Putian Tianji Building Intelligence Co., Ltd.	2,000.00	Nanjing City	Nanjing City	manufacturing industry	45.77%		establish
Nanjing Putian Datang Information Electronics Co., Ltd.	1,000.00	Nanjing City	Nanjing City	manufacturing industry	40.00%		Business combination under different controls

## 2. Reasons for including entities with shareholding ratios not exceeding half in the consolidation scope

(1) The Company holds a 45.767% voting interest in Nanjing Putian Tianji Building Intelligence Co., Ltd., with other voting shareholders being relatively dispersed. The Company represents more than half of the board members of Nanjing Putian Tianji Building Intelligence Co., Ltd., thereby exercising control over the company. This enables the Company to participate in the company's activities, enjoy variable returns, leverage its control over the company's returns, and ultimately exercise full control over Nanjing Putian Tianji Building Intelligence Co., Ltd.

(2) The Company holds a 40% equity stake in Nanjing Putian Datang Information Electronics Co., Ltd. The number of Company members serving on its Board of Directors exceeds half of the total board members, granting the Company authority over the company. The Company is entitled to variable returns by participating in its relevant activities and can leverage this authority to influence its return amounts, thereby exercising control over Nanjing Putian Datang Information Electronics Co., Ltd.

## 3. Equity held by minority shareholders of the subsidiary

(1) A significant non-wholly owned subsidiary

Subsidiary Name	Shareholding percentage of minority shareholders (%)	Profit or loss attributable to minority shareholders for the period	Dividend distributed to minority shareholders in this period	End-of-period balance of minority interest
Nanjing Putian Tianji Building Intelligence Co., Ltd.	54.23	8,162,390.98	10,846,600.00	59,004,393.79

## (2) Key financial information of the subsidiary

Subsidiary Name	ending balance					Total Liabilities
	circulating assets	non-current assets	Total Assets	cash liabilities	non-current liability	
Nanjing Putian Tianji Building Intelligence Co., Ltd.	280,998,601.29	32,571,405.73	313,570,007.02	204,374,209.00		204,374,209.00

( continuous )

Subsidiary Name	Year-end balance					Total Liabilities
	circulating assets	non-current assets	Total Assets	cash liabilities	non-current liability	
Nanjing Putian Tianji Building Intelligence Co., Ltd.	243,448,430.35	32,796,612.98	276,245,043.33	162,977,636.49		162,977,636.49

( continuous )

Subsidiary Name	Amount for this period				Previous period amount			
	operating receipt	net margin	total comprehensive income	Cash Flow from Operating Activities	operating receipt	net margin	total comprehensive income	Cash Flow from Operating Activities
Nanjing Putian Tianji Building Intelligence Co., Ltd.	294,056,233.62	15,051,430.91	15,051,430.91	2,515,810.36	339,404,639.09	20,374,028.68	20,374,028.68	5,677,545.92

**4. Equity interests in the joint venture or associated enterprise**

## (1) Consolidated financial information for non-material joint ventures and associated enterprises

project	End-of-period balance / Current period amount	Year-end balance / Amount from the previous period
cooperative enterprise :	Nanjing Puzhu Guang Network Co., Ltd.	Nanjing Puzhu Guang Network Co., Ltd.

project	End-of-period balance / Current period amount	Year-end balance / Amount from the previous period
Total book value of investments		10,412,683.37
The total amounts of the following items are calculated based on the shareholding ratios:		
— net margin		-5.77
—Other Comprehensive Income		
— total comprehensive income		-5.77

### **VIII. Risks Associated with Financial Instruments**

The Company's primary financial instruments include loans, receivables, and payables, among others. Detailed descriptions of these financial instruments are provided in Note 5. The risks associated with these instruments, along with the risk management policies implemented by the Company to mitigate them, are outlined below. The Company's management monitors and manages these risk exposures to ensure they remain within acceptable limits.

The company employs sensitivity analysis techniques to assess the potential impact of reasonable and possible changes in risk variables on current profits or equity. Since risk variables rarely change independently, and the interrelationships among variables significantly influence the ultimate effect of changes in any given variable, the following analysis assumes that each variable's change occurs independently.

#### **1. Risk Management Objectives and Policies**

The objective of our company's risk management is to achieve an appropriate balance between risk and return, minimize the negative impact of risks on our operating performance, and maximize the interests of shareholders and other equity investors. In line with this objective, our fundamental risk management strategy involves identifying and analyzing the various risks we face, establishing appropriate risk tolerance thresholds, implementing effective risk management practices, and conducting timely and reliable monitoring of these risks to keep them within defined limits.

##### **(1) Market Risk**

###### **① exchange risk**

Foreign exchange risk refers to the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in foreign exchange rates. The Company operates in mainland China, and its primary activities are denominated in Renminbi; therefore, the foreign exchange rate fluctuation risk assumed by the Company is not material. The details of the Company's foreign currency monetary assets and liabilities at the end of the period are provided in the relevant notes to this financial statement.

As of December 31,2025, the Company's major foreign exchange risk exposures for its foreign currency assets and liabilities are as follows (for reporting purposes, the risk exposure amounts are presented in

Renminbi and converted using the spot exchange rate on the balance sheet date).

project	31 December 2025			
	American dollar		Hong Kong currency	
	foreign currency	Renminbi	foreign currency	Renminbi
Cash and cash equivalents	30,525.13	214,555.03	10.33	9.33

project	31 December 2024			
	American dollar		Hong Kong currency	
	foreign currency	Renminbi	foreign currency	Renminbi
Cash and cash equivalents	30,572.51	219,693.17	10.33	9.57

② interest rate exposure

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in market interest rates. Fixed-rate interest-bearing financial instruments expose the Company to fair value interest rate risk, while floating-rate interest-bearing financial instruments expose the Company to cash flow interest rate risk. The Company determines the proportion of fixed-rate to floating-rate financial instruments based on market conditions and maintains an appropriate portfolio through regular review and monitoring.

**(2) Credit Risk**

Credit risk refers to the risk that one party using a financial instrument fails to fulfill its obligations, resulting in financial losses for the other party.

1. Practical Credit Risk Management

(1) Methods for evaluating credit risk

The company assesses whether the credit risk of relevant financial instruments has increased significantly since initial recognition on each balance sheet date. In determining such a significant increase, the company considers obtaining reasonable and well-founded information without incurring unnecessary additional costs or effort, including qualitative and quantitative analyses based on historical data, external credit risk ratings, and forward-looking information. Using individual financial instruments or portfolios of instruments with similar credit risk characteristics, the company compares the risk of default on the balance sheet date with that on the initial recognition date to determine the change in default risk over the instrument's expected lifetime.

The company considers that the credit risk of financial instruments has increased significantly when one or more of the following quantitative or qualitative criteria are met:

- 1) The quantitative criterion primarily requires that the default probability for the remaining term at the

balance sheet date increases by more than a specified percentage compared to the initial recognition date.

2) The qualitative criteria primarily involve significant adverse changes in the debtor's operational or financial condition, or existing or anticipated changes in the technological, market, economic, or legal environment that would substantially impair the debtor's ability to repay the company's debts;

(2) Definitions of default and assets with incurred credit impairment

When a financial instrument meets one or more of the following conditions, the Company shall classify the financial asset as having defaulted, with the criteria aligning with those for recognizing credit impairment:

1) The debtor faces significant financial difficulties;

2) The debtor breaches the binding clauses stipulated in the contract;

3) The debtor is highly likely to go bankrupt or undergo other financial restructuring;

4) The creditor makes concessions to the debtor based on economic or contractual considerations related to the debtor's financial difficulties—concessions that the debtor would not have made under any other circumstances.

2. Measurement of Expected Credit Losses

The key parameters for measuring expected credit losses include the default probability, default loss ratio, and default risk exposure.

3. The opening and closing balances of the loss provision for financial instruments are detailed in Notes 5.2, 5.3, 5.4, and 5.6 to this financial statement.

4. Credit risk exposure and credit risk concentration

The company's credit risk primarily stems from monetary funds and accounts receivable. To mitigate these risks, the company has implemented the following measures.

(1) Cash and cash equivalents

Our company deposits bank deposits and other monetary funds with financial institutions that have high credit ratings, resulting in relatively low credit risk.

(2) Accounts Receivable

Our company regularly conducts credit assessments for clients engaging in credit-based transactions. Based on the assessment results, we select transactions only with accredited clients with sound credit profiles and monitor their accounts receivable balances to ensure we avoid significant bad debt risks.

As the company's accounts receivable risk is distributed across multiple partners and customers, as of December 31, 2025, 16.66% of its accounts receivable (compared to 8.17% as of December 31, 2024) originated

from its top five customers. The company faces no significant credit concentration risk.

The maximum credit risk exposure assumed by our company is the book value of each financial asset on the balance sheet.

### (3) Liquidity Risk

Liquidity risk refers to the risk of insufficient funds when the Company fulfills its obligations settled by cash or other financial assets. Such risk may arise from an inability to sell financial assets at fair value promptly; from the counterparty's failure to repay its contractual obligations; from debts maturing ahead of schedule; or from the failure to generate expected cash flows.

To mitigate this risk, the Company employs a comprehensive range of financing instruments, including bill settlement and bank loans, while strategically combining long-term and short-term financing methods to optimize its financing structure and maintain a balance between sustainability and flexibility. The Company has secured credit lines from multiple commercial banks to meet its working capital requirements and capital expenditures.

#### ① Financial liabilities classified by remaining maturity dates

project	End-of-period amount				
	book value	The contract amount not discounted	Within 1 year	1-3 years	More than 3 years
money borrowed for short time	203,925,721.98	203,925,721.98	203,925,721.98		
notes payable	6,775,234.17	6,775,234.17	6,775,234.17		
debit balance in suppliers' account	273,382,306.86	273,382,306.86	273,382,306.86		
accounts payable-others	49,032,066.18	49,032,066.18	49,032,066.18		
Non-current liabilities maturing within one year	70,899,913.72	70,899,913.72	70,899,913.72		
subtotal	604,015,242.91	604,015,242.91	604,015,242.91		

( continuous )

project	Beginning balance				
	book value	The contract amount not discounted	Within 1 year	1-3 years	More than 3 years
money borrowed for short time	128,127,987.75	128,127,987.75	128,127,987.75		
notes payable					
debit balance in suppliers' account	349,342,179.21	349,342,179.21	349,342,179.21		
accounts payable-others	41,918,074.35	41,918,074.35	41,918,074.35		
Non-current liabilities maturing within one year	88,060,659.43	88,060,659.43	88,060,659.43		
subtotal	617,571,126.49	617,571,126.49	617,571,126.49		

#### ② Hedging

The company has not conducted any hedging activities.

③ Transfer of financial assets

1. Classification of Transfer Methods

transition way	Nature of the transferred financial asset	Transferred finances Asset Amount	Termination Confirmation The situation	The criteria for determining the termination of a confirmation
Endorsement of a Bill	Bank Acceptance Bill	25,105,495.20	Termination Confirmation	It has transferred almost all of its risks and rewards.

2. Financial assets derecognized due to transfer

Types of Financial Assets	Transfer Method	Amount of financial assets whose recognition has been terminated	Gains and losses related to the termination of recognition
receivables financing	Endorsement Transfer	25,105,495.20	

**IX. Disclosure of Fair Value**

**1. The fair value of assets and liabilities measured at fair value at the end of the period**

project	End-of-period fair value			
	First-level fair value measurement	Second-level fair value measurement	Third-level fair value measurement	amount to
I. Continuous Fair Value Measurement				
(I) Investments in Other Equity Instruments			<b>741,953.00</b>	<b>741,953.00</b>
<b>Total assets continuously measured at fair value</b>			<b>741,953.00</b>	<b>741,953.00</b>
II. Non-sustained fair value measurement				
(I) Receivables Financing			<b>27,655,375.14</b>	<b>27,655,375.14</b>
<b>Total assets not measured at fair value on a continuous basis</b>			<b>27,655,375.14</b>	<b>27,655,375.14</b>

**2. For continuous and non-continuous third-level fair value measurement items, the valuation techniques employed and the qualitative and quantitative information on key parameters shall be specified.**

(1) For receivables financing held, the fair value shall be determined based on the face value;

(2) For other equity instrument investments held in Nanjing Yuhua Electroplating Factory and Hangzhou Hongyan Electric Appliance Co., Ltd., since no significant changes have occurred in the operating environment, business performance, or financial condition of the investee enterprises, the company measures these

investments at their cost as a reasonable estimate of fair value.

(3) For its other equity instrument investments in Beijing Likang General Information Equipment Co., Ltd., the company has measured the investments at zero yuan as a reasonable estimate of fair value, due to the deterioration in the operating environment, business performance, and financial condition of the investee.

## X. Related Parties and Related Transactions

### 1. Information about the company's parent company

Parent Company Name	Registered Address	Nature of Business	registered capital	The parent company's shareholding percentage in our company (%)	The voting rights proportion (%) of the parent company in our company
China Electric Guorui Group Co., Ltd.	No.359, Jiangdong Middle Road, Jianye District, Nanjing City	Electronic Equipment Manufacturing	1,000,000,000.00	53.49%	53.49%

The ultimate controlling party is China Electronics Technology Group Corporation.

### 2. Information on the Company's Subsidiaries

For details, refer to Note 7, Section 1: Composition of the Enterprise Group.

### 3. Information on the Company's Joint Ventures and Associated Enterprises

For details of the Company's significant joint ventures and associated enterprises, please refer to Note 7, Section 4: Equity Interests in Joint Ventures or Associated Enterprises.

### 4. Information on Other Related Parties

Other related party names	Relationships between other related parties and the Company
China Far East International Tendering Co., Ltd.	The same ultimate controlling party
China Putian Information Industry Group Co., Ltd.	The same ultimate controlling party
China Putian Information Industry Co., Ltd.	The same ultimate controlling party
The 55th Research Institute of China Electronics Technology Group Corporation	The same ultimate controlling party
The 54th Research Institute of China Electronics Technology Group Corporation	The same ultimate controlling party
The 48th Research Institute of China Electronics Technology Group Corporation	The same ultimate controlling party
The 14th Research Institute of China Electronics Technology Group Corporation	The same ultimate controlling party
The 28th Research Institute of China Electronics Technology Group Corporation	The same ultimate controlling party

Other related party names	Relationships between other related parties and the Company
China Electric Rice Information Systems Co., Ltd.	The same ultimate controlling party
China Electronics Technology Group Corporation Taili Communication Technology Co., Ltd.	The same ultimate controlling party
China Electronics Technology Group Corporation Digital Technology Co., Ltd.	The same ultimate controlling party
China Electronics Technology Group Corporation Financial Leasing Co., Ltd.	The same ultimate controlling party
China Electric Science Popularization Technology Co., Ltd.	The same ultimate controlling party
China Electronics Technology (Nanjing) Electronic Information Development Co., Ltd.	The same ultimate controlling party
China Electronics Technology Group Corporation Metrology, Testing and Certification (Beijing) Co., Ltd.	The same ultimate controlling party
China Electronics Technology Group Corporation Metrology, Testing and Certification (Beijing) Co., Ltd.	The same ultimate controlling party
China Electronics Technology Group Corporation (Beijing) Network Information Security Co., Ltd.	The same ultimate controlling party
Tianjin Putian Innovation and Entrepreneurship Technology Co., Ltd.	The same ultimate controlling party
Tianbo Electronic Information Technology Co., Ltd.	The same ultimate controlling party
Taiji Computer Co., Ltd.	The same ultimate controlling party
Sichuang Electronics Co., Ltd.	The same ultimate controlling party
Shanghai Post and Telecommunications Equipment Co., Ltd.	The same ultimate controlling party
Shanghai Putian Youtong Technology Co., Ltd.	The same ultimate controlling party
Putian Information Technology Co., Ltd. (Headquarters)	The same ultimate controlling party
Putian Information Technology Co., Ltd.	The same ultimate controlling party
Putian Information Engineering Design Service Co., Ltd.	The same ultimate controlling party
Putian Communication Co., Ltd.	The same ultimate controlling party
Putian Kechuang Industrial Co., Ltd.	The same ultimate controlling party
Putian Rail Transit Technology (Shanghai) Co., Ltd.	The same ultimate controlling party
Putian High-Tech Industrial Co., Ltd.	The same ultimate controlling party
Nanjing Putian Information Technology Co., Ltd.	The same ultimate controlling party
Nanjing Putian Technology Co., Ltd.	The same ultimate controlling party
Nanjing Putian Hongyan Electric Appliance Technology Co., Ltd.	The same ultimate controlling party
Nanjing Nanman Electric Co., Ltd.	The same ultimate controlling party
Nanjing Meichen Microelectronics Co., Ltd.	The same ultimate controlling party
Nanjing Luopu Technology Co., Ltd.	The same ultimate controlling party
Nanjing Luopu Co., Ltd.	The same ultimate controlling party
Nanjing LaiSi Information Technology Co., Ltd.	The same ultimate controlling party
Nanjing LaiSi Electronic Equipment Co., Ltd.	The same ultimate controlling party
Nanjing Hikvision Digital Technology Co., Ltd.	The same ultimate controlling party
Nanjing Guorui Xinwei Software Co., Ltd.	The same ultimate controlling party
Nanjing Guorui Defense Systems Co., Ltd.	The same ultimate controlling party
Nanjing Urban Rail Transit System Engineering Co., Ltd.	The same ultimate controlling party
Liyang 28th System Equipment Co., Ltd.	The same ultimate controlling party
The 15th Research Institute of China Electronics Technology Group Corporation	The same ultimate controlling party
Hebei Yuandong Communication System Engineering Co., Ltd.	The same ultimate controlling party

Other related party names	Relationships between other related parties and the Company
Hangzhou Hongyan Electric Power and Electrical Co., Ltd.	The same ultimate controlling party
Hangzhou Hikvision Digital Technology Co., Ltd. Nanjing Branch	The same ultimate controlling party
Hangzhou Hikvision Digital Technology Co., Ltd. Beijing Branch	The same ultimate controlling party
Hangzhou Hikvision Technology Co., Ltd.	The same ultimate controlling party
Guorui Technology Co., Ltd.	The same ultimate controlling party
Dongfang Communication Co., Ltd.	The same ultimate controlling party
Dianke Cloud (Beijing) Technology Co., Ltd.	The same ultimate controlling party
Beijing Shouxin Co., Ltd.	The same ultimate controlling party
Beijing Likang General Communication Equipment Co., Ltd.	The same ultimate controlling party
Beijing Aotewei Technology Co., Ltd.	The same ultimate controlling party
Nanjing Enrui Te Industrial Co., Ltd.	The same ultimate controlling party

### 5. Related Party Transactions

(1) Related-party transactions involving the purchase and sale of goods, or the provision and receipt of services

#### ① Status of purchased goods/accepted services

affiliated party	Related Party Transaction Details	Amount for this period	Previous period amount
Nanjing Nanman Electric Co., Ltd.	Telecommunications products	1,528,203.48	
China Electronics Technology (Nanjing) Electronic Information Development Co., Ltd.	Telecommunications products	359,967.66	10,140,880.54
North China Institute of Computing Technology (The 15th Research Institute of China Electronics Technology Group Corporation)	Telecommunications products	106,155.75	
Nanjing Putian Hongyan Electric Appliance Technology Co., Ltd.	Telecommunications products	1,653.10	239,709.77
Hangzhou Hikvision Digital Technology Co., Ltd. Beijing Branch	Telecommunications products	1,199.12	
Nanjing Hikvision Digital Technology Co., Ltd.	Telecommunications products		175,221.24
China Electronics Technology Group Corporation (Beijing) Network Information Security Co., Ltd.	Telecommunications products		33,018.87
Hangzhou Hikvision Technology Co., Ltd.	Telecommunications products		2,463.72

Status of goods sold/labor services provided

affiliated party	Related Party Transaction Details	Amount for this period	Previous period amount
The 14th Research Institute of China Electronics Technology Group Corporation	Telecommunications products	19,227,915.25	17,199,883.01
Nanjing Luopu Co., Ltd.	Telecommunications products	6,906,815.92	7,657,210.21
Taiji Computer Co., Ltd.	Telecommunications products	7,823,909.31	
Nanjing LaiSi Information Technology Co., Ltd.	Telecommunications products	5,213,666.44	5,864,967.64
The 28th Research Institute of China Electronics Technology Group Corporation	Telecommunications products	4,876,533.80	6,000,191.37
Nanjing Guorui Defense Systems Co., Ltd.	Telecommunications products	2,646,933.52	364,908.62
Dianke Cloud (Beijing) Technology Co., Ltd.	Telecommunications products	2,411,247.78	
Tianbo Electronic Information Technology Co., Ltd.	Telecommunications products	839,415.90	7,485,748.80
Beijing Aotewei Technology Co., Ltd.	Telecommunications products	795,734.51	
Nanjing Urban Rail Transit System Engineering Co., Ltd.	Telecommunications products	690,285.84	365,128.87
Hebei Yuandong Communication System Engineering Co., Ltd.	Telecommunications products	654,817.69	1,593,214.12
Putian Rail Transit Technology (Shanghai) Co., Ltd.	Telecommunications products	585,208.89	38,547.78
China Electric Science Popularization Technology Co., Ltd.	Telecommunications products	516,767.60	10,517,699.10
The 54th Research Institute of China Electronics Technology Group Corporation	Telecommunications products	441,915.04	
China Electronics Technology Group Corporation Digital Technology Co., Ltd.	Telecommunications products	272,644.17	279,867.26
Nanjing Nanman Electric Co., Ltd.	Telecommunications products	218,864.34	

affiliated party	Related Party Transaction Details	Amount for this period	Previous period amount
	ons products		
China Electronics Technology Group Corporation Metrology, Testing and Certification (Beijing) Co., Ltd.	Telecommunications products	216,162.42	
Nanjing Luopu Technology Co., Ltd.	Telecommunications products	166,845.57	862,006.88
Guorui Technology Co., Ltd.	Telecommunications products	139,432.18	3,174,272.98
The 55th Research Institute of China Electronics Technology Group Corporation	Telecommunications products	70,796.46	
Sichuang Electronics Co., Ltd.	Telecommunications products	63,716.82	
Dongfang Communication Co., Ltd.	Telecommunications products	45,575.20	154,098.76
Nanjing LaiSi Electronic Equipment Co., Ltd.	Telecommunications products	22,455.75	14,026.56
Nanjing Enrui Te Industrial Co., Ltd.	Telecommunications products	13,524.59	
Tianjin Putian Innovation and Entrepreneurship Technology Co., Ltd.	Telecommunications products	10,619.46	
China Electronics Technology (Nanjing) Electronic Information Development Co., Ltd.	Telecommunications products	2,654.86	
Nanjing Guorui Xinwei Software Co., Ltd.	Telecommunications products		1,242,354.90
Nanjing Meichen Microelectronics Co., Ltd.	Telecommunications products		696,867.27
Hangzhou Hongyan Electric Power and Electrical Co., Ltd.	Telecommunications products		296,681.42
Putian Kechuang Industrial Co., Ltd.	Telecommunications products		65,929.22
Putian Kechuang Industrial Co., Ltd.	Telecommunications products		43,628.32

affiliated party	Related Party Transaction Details	Amount for this period	Previous period amount
The 48th Research Institute of China Electronics Technology Group Corporation	Telecommunications products		43,504.03
China Electric Rice Information Systems Co., Ltd.	Telecommunications products		460.18

(2) Related leasing arrangements

① Our company acts as the lessor

Leaseholder Name	Types of leased assets	Lease income recognized in this period	Lease income recognized in the previous period
The 14th Research Institute of China Electronics Technology Group Corporation	House and Property Income	1,754,162.79	1,824,804.99
Nanjing Luopu Co., Ltd.	House and Property Income	395,238.10	395,238.10
China Electronics Technology Group Corporation Metrology, Testing and Certification (Beijing) Co., Ltd.	House and Property Income	194,400.00	194,400.00

② Our company, as the lessee

Landlord Name	Types of leased assets	Simplified calculation of rental expenses for short-term leases		The rent paid		Interest expense on leased liabilities incurred		Increased assets of usage rights	
		Current period amount	Previous period occurrence amount	Current period amount	Previous period occurrence amount	Current period amount	Previous period occurrence amount	Current period amount	Previous period occurrence amount
Putian High-Tech Industrial Co., Ltd.	buildings		642,292.73		1,036,279.73				
China Electronics Technology Group Corporation Financial Leasing Co., Ltd.	machinery equipment			1,137,438.87	853,843.45	63,824.48	79,729.23		2,686,684.00
Beijing Shouxin Co., Ltd.	buildings	1,034,448.46		889,651.45					

(3) Guarantee from an affiliated party

Our company is the guaranteed party.

Guarantor	amount guaranteed	Guarantee Start Date	Guarantee Maturity Date	Has the guarantee been fully fulfilled?
China Electric Guorui Group Co., Ltd.	55,000,000.00	3 April 2023	2 April 2026	yes
China Electric Guorui Group Co., Ltd.	15,000,000.00	25 June 2023	24 June 2026	yes

Note: The Company repaid the loan on March 17, 2026, and as of the reporting date, the aforementioned guarantees have been fully fulfilled.

(4) Loans to related parties and interest expenses

affiliated party	Related Party Transaction Details	Current period amount / End-of-period balance	Previous period occurrence amount/period opening balance
China Putian Information Industry Co., Ltd.	Principal amount of entrusted loan		86,800,000.00
China Putian Information Industry Co., Ltd.	Debt loan interest	3,505,635.00	4,354,177.50
China Electronic Technology Finance Co., Ltd.	Loan principal	70,000,000.00	70,000,000.00
China Electronic Technology Finance Co., Ltd.	cost of money	2,446,430.56	2,696,708.34
China Electronics Technology Group Corporation Financial Leasing Co., Ltd.	Other interest	63,824.48	79,729.23
China Electric Guorui Group Co., Ltd.	Principal amount of entrusted loan	66,800,000.00	
China Electric Guorui Group Co., Ltd.	Debt loan interest	33,567.00	

(5) Funds deposited with China Electronic Technology Finance Co., Ltd. and interest income for the current period

project	Amount for this period	Previous period amount
Deposited with a financial company	172,779,922.93	287,204,290.64
Interest income for this period	373,400.64	59,651.77

(6) Compensation for Key Management Personnel

project	Amount for this period	Previous period amount
Remuneration for Key Management Personnel	3,281,506.00	3,220,349.00

**6. Receivables and payables from related parties**

(1) Accounts Receivable Items

project name	ending balance		Year-end balance	
	book balance	bad debt provision	book balance	bad debt provision
accounts receivable :				
The 28th Research Institute of China Electronics Technology Group Corporation	15,663,961.54	399,668.76	13,445,649.66	205,355.90
Nanjing LaiSi Information	14,814,554.61	823,900.28	14,023,177.32	436,062.33

project name	ending balance		Year-end balance	
	book balance	bad debt provision	book balance	bad debt provision
Technology Co., Ltd.				
The 14th Research Institute of China Electronics Technology Group Corporation	12,947,983.94	129,479.84	18,560,060.00	185,600.60
Shanghai Putian Youtong Technology Co., Ltd.	8,755,534.00	8,755,534.00	8,755,534.00	8,755,534.00
Taiji Computer Co., Ltd.	8,204,723.11	82,047.28	2,796.40	279.64
Hebei Yuandong Communication System Engineering Co., Ltd.	5,976,731.85	744,627.33	6,212,960.25	320,772.80
China Electric Science Popularization Technology Co., Ltd.	5,414,212.80	336,471.28	8,231,212.80	174,760.64
Putian Information Technology Co., Ltd.	5,983,345.58	5,983,345.58	6,065,598.36	6,065,598.36
Putian Communication Co., Ltd.	4,317,924.00	4,317,924.00	4,317,924.00	3,729,909.00
Nanjing Luopu Co., Ltd.	4,238,987.48	42,389.87	178,712.22	1,787.12
Nanjing Guorui Defense Systems Co., Ltd.	3,346,725.58	47,694.88	1,463,890.99	56,700.68
China Putian Information Industry Co., Ltd.	3,222,253.45	3,103,328.36	3,222,253.45	2,982,001.65
Dianke Cloud (Beijing) Technology Co., Ltd.	2,576,051.00	25,760.51		
Tianbo Electronic Information Technology Co., Ltd.	1,700,864.56	46,842.63	4,856,897.25	48,568.97
Nanjing Urban Rail Transit System Engineering Co., Ltd.	993,349.94	41,446.64	213,326.94	14,519.47
The 54th Research Institute of China Electronics Technology Group Corporation	499,364.00	4,993.64		
Shanghai Post and Telecommunications Equipment	403,366.29	403,366.29		

project name	ending balance		Year-end balance	
	book balance	bad debt provision	book balance	bad debt provision
Co., Ltd.				
China Electronics Technology Group Corporation Digital Technology Co., Ltd.	253,022.35	2,530.27		
Nanjing Nanman Electric Co., Ltd.	178,506.17	2,350.78	105,299.54	1,053.00
Putian Rail Transit Technology (Shanghai) Co., Ltd.	146,772.00	1,467.77	53,722.95	943.79
Sichuang Electronics Co., Ltd.	143,812.88	60,045.38	135,557.43	133,377.18
Guorui Technology Co., Ltd.	109,957.83	1,387.58	2,404,882.65	24,048.83
Nanjing Meichen Microelectronics Co., Ltd.	101,460.00	5,073.00	787,460.00	7,874.60
Nanjing Luopu Technology Co., Ltd.	82,071.00	820.76	292,591.00	2,925.91
The 55th Research Institute of China Electronics Technology Group Corporation	80,000.00	800.00		
Nanjing Guorui Xinwei Software Co., Ltd.	40,625.01	2,031.25	3,130,411.82	102,353.92
China Electronics Technology (Nanjing) Electronic Information Development Co., Ltd.	12,000.00	1,200.00	12,000.00	600.00
China Electronics Technology Group Corporation Metrology, Testing and Certification (Beijing) Co., Ltd.	1,866.67	18.67		
Liyang 28th System Equipment Co., Ltd.			29,700.00	1,485.00
Dongfang Communication Co., Ltd.			23,162.98	231.63
China Electronics Technology Group Corporation Taili			7,400.00	74.00

project name	ending balance		Year-end balance	
	book balance	bad debt provision	book balance	bad debt provision
Communication Technology Co., Ltd.				
China Electric Rice Information Systems Co., Ltd.			520.00	5.20
amount to	100,210,027.64	25,366,546.63	96,532,702.01	23,252,424.22
bill receivable :				
The 28th Research Institute of China Electronics Technology Group Corporation	3,259,620.00	162,981.00		
Nanjing Guorui Xinwei Software Co., Ltd.	3,089,786.81	213,978.68		
China Electric Science Popularization Technology Co., Ltd.	747,000.00			
Nanjing Meichen Microelectronics Co., Ltd.	686,000.00	34,300.00		
amount to	7,782,406.81	411,259.68		
advance payment :				
Hangzhou Hikvision Technology Co., Ltd.			34,875.00	
amount to			34,875.00	
accounts receivable-other :				
Nanjing Putian Technology Co., Ltd.	1,784,619.72	1,784,619.72	1,784,619.72	1,784,619.72
Putian Information Technology Co., Ltd.	367,800.00	367,800.00	367,800.00	367,800.00
Beijing Shouxin Co., Ltd.	84,900.52	4,245.03		
China Far East International Tendering Co., Ltd.	44,782.14	2,239.11		
The 14th Research Institute of China Electronics Technology	29,000.00	1,450.00		

project name	ending balance		Year-end balance	
	book balance	bad debt provision	book balance	bad debt provision
Group Corporation				
Putian Information Engineering Design Service Co., Ltd.	24,000.00	1,200.00		
China Putian Information Industry Co., Ltd.	1,000.00	1,000.00	1,000.00	1,000.00
Beijing Likang General Communication Equipment Co., Ltd.	28,912,122.71	28,912,122.71	28,912,122.71	28,912,122.71
Hangzhou Hikvision Technology Co., Ltd.	22,630.00	22,630.00	22,630.00	22,630.00
Hangzhou Hikvision Digital Technology Co., Ltd. Nanjing Branch	2,766.00	2,766.00	2,766.00	2,766.00
amount to	31,273,621.09	31,100,072.57	31,090,938.43	31,090,938.43

(2) Accounts Payable Items

project name	ending balance	Year-end balance
debit balance in suppliers' account :		
China Putian Information Industry Co., Ltd.	14,918,045.42	14,918,045.42
China Electronics Technology (Nanjing) Electronic Information Development Co., Ltd.	4,932,081.60	6,882,850.00
Nanjing Nanman Electric Co., Ltd.	3,030,412.33	2,530,091.68
Nanjing Putian Hongyan Electric Appliance Technology Co., Ltd.	195,824.09	
Putian High-Tech Industrial Co., Ltd.	25,000.00	25,000.00
amount to	23,101,363.44	24,355,987.10
accounts payable-others :		
China Putian Information Industry Group Co., Ltd.	9,591,612.50	9,591,612.50
Putian High-Tech Industrial Co., Ltd.	1,442,202.94	1,814,696.94
Nanjing Putian Information Technology Co., Ltd.	2,467,412.69	2,467,412.69

project name	ending balance	Year-end balance
Putian Communication Co., Ltd.		200,000.00
amount to	13,501,228.13	14,073,722.13
Contract Liability:		
China Putian Information Industry Co., Ltd.	3,727,418.22	3,727,418.22
China Putian Information Industry Group Co., Ltd.	11,716.35	
amount to	3,739,134.57	3,727,418.22

## **XI. Commitments and Contingent Matters**

### **1. Major Commitment Matters**

As of December 31,2025, the Company has no material commitments requiring disclosure.

### **2. Contingent Matters**

On March 19, 2026, our company signed a loan contract with the Nanjing Military Administration Branch of Industrial and Commercial Bank of China, Ltd., borrowing 70 million yuan. The loan period is from March 19, 2026 to January 1, 2029. This loan is secured by the industrial plant and research and development building of our company, and at the same time, a pledge is set on 40.70% equity (corresponding to the capital contribution of 20.6349 million yuan) of our subsidiary Nanjing Nanfang Telecommunication Co., Ltd. and 19.21% equity (corresponding to the capital contribution of 3.842 million yuan) of our subsidiary Nanjing Putian Tianji Building Intelligence Co., Ltd.

The loan funds were fully received on March 27, 2026, and the company used the funds on the same day to repay the long-term loan of 70 million yuan from China Electronics Technology Finance Co., Ltd.

As of the reporting date, there are no other post-balance sheet events that should be disclosed.

## **XII. Events Occurring After the Balance Sheet Date**

On March 19,2026, the Company entered into a loan agreement with the Nanjing Military Administration Branch of Industrial and Commercial Bank of China Limited, for a loan amount of RMB 70.00 million, with the loan term running from March 19,2026, to January 1, 2029. The loan was secured by a mortgage on the Company's industrial plant and R&D building, and by pledges representing 40.70% equity in its subsidiary Nanjing Southern Telecommunications Co., Ltd. (corresponding to an investment of RMB 20.6349 million) and 19.21% equity in its subsidiary Nanjing Putian Tianji Building Intelligence Co., Ltd. (corresponding to an investment of RMB 3.8420 million).

The aforementioned loan funds were fully received on March 27,2026, and the company used these funds specifically on the same day to repay the long-term loan of RMB 70 million from China Electronic Technology Finance Co., Ltd.

The aforementioned matters are non-adjustable events occurring after the balance sheet date and do not affect the financial position or operating results as of that date. This significant financing and debt restructuring transaction has a substantial impact on the company's future financial condition and debt repayment arrangements; therefore, it is disclosed.

### **XIII. Other Important Matters**

#### **(I) Branch Report**

##### **1. Basis for Determining Sub-Report and Accounting Policies**

The company determines its reporting divisions based on its internal organizational structure, management requirements, and internal reporting systems, with product divisions serving as the fundamental basis. Performance evaluations are conducted separately for video conferencing products, integrated wiring products, distribution wiring products, and other business segments. Assets and liabilities shared among the divisions are allocated proportionally according to their respective scales.

The company determines its reporting segments based on product segments. The assets and liabilities of each segment represent the actual amounts utilized, while the main business revenue and costs correspond to those of each respective product segment.

##### **2. Financial Information in the Branch Report**

project	video conferencing product	Integrated Cabling product	Communication basic products and others	Inter-branch offset
I. Operating Revenue	268,214,493.37	294,056,233.62	58,699,666.27	-3,330,908.30
II. Operating Costs	213,171,492.80	234,606,345.38	42,333,131.57	-2,590,572.80
III. Investment Returns from Joint Ventures and Cooperative Enterprises			7,389,042.29	
IV. Credit Impairment Loss	-1,185,514.08	-716,953.54	-5,076,651.34	
V. Asset Impairment Loss		-106,579.56	-2,131,109.47	
VI. Depreciation and Amortization Expenses	277,013.39	2,495,369.38	5,531,588.07	310,939.20
VII. Total Profit	3,398,114.22	15,994,494.86	-9,346,093.51	-9,596,339.20
VIII. Income Tax Expenses	415,356.55	943,063.95		
IX. Net Profit	2,982,757.67	15,051,430.91	-9,346,093.51	-9,596,339.20
X. Total Assets	313,824,081.88	313,570,007.02	273,927,700.50	-171,398,192.43
XI. Total Liabilities	196,000,185.60	204,374,209.00	373,483,600.62	-131,536,544.28

#### **(II) Others**

The Company has pledged the equity stake of 56.28% in Nanjing Southern Telecommunications Co., Ltd., corresponding to an investment amount of RMB 28.534 million, to China Electronics Guorui Group Co., Ltd.

(hereinafter referred to as the Parent Company) for its use in entrusting a financial company to disburse a loan to the Company. The Parent Company provided a guarantee for the Company's loan from China Electronics Technology Finance Co., Ltd. In return, the Company pledged the equity stake of 40% in its subsidiary Nanjing Putian Tianji Building Intelligence Co., Ltd., corresponding to an investment amount of RMB 8 million, to the Parent Company. Additionally, the Company pledged the equity stake of 40% in its subsidiary Nanjing Putian Datang Information Electronics Co., Ltd., corresponding to an investment amount of RMB 4 million, to China Electronics Finance Leasing Co., Ltd. for the purpose of securing a financial leasing transaction with the latter. The aforementioned equity stakes in the subsidiaries remain subject to transfer restrictions until the pledges are lifted.

#### XIV. Notes to Key Items in the Parent Company's Financial Statements

##### 1. Accounts Receivable

###### (1) Disclosure by aging of accounts

Account Age	ending balance	Year-end balance
Within 1 year	26,145,588.39	47,287,939.57
1 to 2 years	18,892,822.21	15,482,294.57
2 to 3 years	9,775,010.59	12,282,655.94
3 to 4 years	8,213,599.93	7,085,367.49
4 to 5 years	4,739,444.66	9,950,515.07
More than 5 years	164,589,421.40	156,866,329.69
subtotal	232,355,887.18	248,955,102.33
Less: Bad debt provision	171,443,995.15	168,397,267.69
amount to	60,911,892.03	80,557,834.64

###### (2) Classified presentation according to the bad debt provisioning method

class	ending balance				book value
	book balance		bad debt provision		
	amount of money	Percentage (%)	amount of money	Proportion (%)	
accounts receivable for which bad debt provisions are made on a per-item basis	74,517,573.18	32.07	74,517,573.18	100.00	
Accounts receivable for which bad debt	157,838,314.00	67.93	96,926,421.97	61.41	60,911,892.03

class	ending balance				
	book balance		bad debt provision		book value
	amount of money	Percentage (%)	amount of money	Proportion (%)	
provisions are made on a combined basis					
among :					
combination 1: Age of Account Combination	150,935,016.59	64.96	96,926,421.97	64.22	54,008,594.62
Combination 2: Related Parties Combination	6,903,297.41	2.97			6,903,297.41
amount to	232,355,887.18	—	171,443,995.15	—	60,911,892.03

( continuous )

class	Year-end balance				
	book balance		bad debt provision		book value
	amount of money	Percentage (%)	amount of money	Proportion (%)	
accounts receivable for which bad debt provisions are made on a per-item basis	74,588,880.79	29.96	74,588,880.79	100.00	
Accounts receivable for which bad debt provisions are made on a combined basis	174,366,221.54	70.04	93,808,386.90	53.80	80,557,834.64
among :					
combination 1: Age of Account Combination	169,715,844.54	68.17	93,808,386.90	55.27	75,907,457.64
Combination 2: Related Parties Combination	4,650,377.00	1.87			4,650,377.00
amount to	248,955,102.33	—	168,397,267.69	—	80,557,834.64

① Accounts receivable for which a separate bad debt provision is made at the end of the period

Accounts Receivable (by Unit)	ending balance			Calculation Basis
	book balance	bad debt provision	Proportion of Deduction	
Dongpo Xi Laos Co., Ltd.	19,708,086.54	19,708,086.54	100.00	The recovery process carries risks.
Xu Mou	17,591,683.74	17,591,683.74	100.00	The recovery process carries risks.
China Tower Co., Ltd.	13,819,926.92	13,819,926.92	100.00	The recovery process carries risks.
Putian Information Technology Co., Ltd.	4,450,269.30	4,450,269.30	100.00	The recovery process carries risks.
China Railway Communication and Signal Shanghai Engineering Group Co., Ltd.	3,527,803.35	3,527,803.35	100.00	The recovery process carries risks.
other	15,419,803.33	15,419,803.33	100.00	The recovery process carries risks.
amount to	74,517,573.18	74,517,573.18	100.00	—

Continue the table above

Accounts Receivable (by Unit)	Year-end balance			Calculation Basis
	book balance	bad debt provision	Proportion of Deduction	
Dongpo Xi Laos Co., Ltd.	19,708,086.54	19,708,086.54	100.00	The recovery process carries risks.
Xu Mou	17,591,683.74	17,591,683.74	100.00	The recovery process carries risks.
China Tower Co., Ltd.	13,819,926.92	13,819,926.92	100.00	The recovery process carries risks.
Putian Information Technology Co., Ltd.	4,514,800.91	4,514,800.91	100.00	The recovery process carries risks.
China Railway Communication and Signal Shanghai Engineering Group Co., Ltd.	3,534,579.35	3,534,579.35	100.00	The recovery process carries risks.
other	15,419,803.33	15,419,803.33	100.00	The recovery process

Accounts Receivable (by Unit)	Year-end balance			Calculation Basis
	book balance	bad debt provision	Proportion of Deduction	
				carries risks.
amount to	74,588,880.79	74,588,880.79	100.00	—

② Accounts receivable for which bad debt provisions are calculated based on the aging group within the combination

project	ending balance		
	book balance	bad debt provision	Proportion (%)
Within 1 year	22,375,531.98	223,755.32	1.00
1 to 2 years	15,759,581.21	787,979.06	5.00
2 to 3 years	9,775,010.59	977,501.06	10.00
3 to 4 years	8,193,369.93	2,458,010.98	30.00
4 to 5 years	4,704,694.66	2,352,347.33	50.00
More than 5 years	90,126,828.22	90,126,828.22	100.00
amount to	150,935,016.59	96,926,421.97	64.22

( continuous )

project	Year-end balance		
	book balance	bad debt provision	Proportion (%)
Within 1 year	42,637,562.57	426,375.63	1.00
1 to 2 years	15,482,294.57	774,114.73	5.00
2 to 3 years	12,262,425.94	1,226,242.59	10.00
3 to 4 years	7,050,617.49	2,115,185.25	30.00
4 to 5 years	6,032,950.54	3,016,475.27	50.00
More than 5 years	86,249,993.43	86,249,993.43	100.00
amount to	169,715,844.54	93,808,386.90	55.27

(3) Status of bad debt provisions

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrishment	Recover or Roll Back	Write-off or cancellation	
Accrishment based on the	93,808,386.90	3,118,035.07			96,926,421.97

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrualment	Recover or Roll Back	Write-off or cancellation	
aging of accounts receivable					
Individual Provisioning	74,588,880.79		71,307.61		74,517,573.18
amount to	168,397,267.69	3,118,035.07	71,307.61		171,443,995.15

Among these: The amount of bad debt provisions recovered or reversed in this period is significant.

name of organization	Amount to be recovered or reversed	Recovery Method
Putian Information Technology Co., Ltd.	64,531.61	Recovered Amount
China Railway Communication and Signal Shanghai Engineering Group Co., Ltd.	6,776.00	Recovered Amount
amount to	71,307.61	—

(4) Details of the top five accounts receivable by the debtor's end-of-period balances

Debtor's Name	End-of-period balance of accounts receivable	Proportion (%) of the total ending balance of accounts receivable	End-of-period balance of bad debt provisions
Dongpo Xi Laos Co., Ltd.	19,708,086.54	8.48	19,708,086.54
Xu Mou	17,591,683.74	7.57	17,591,683.74
The 14th Research Institute of China Electronics Technology Group Corporation	12,375,549.04	5.33	123,755.49
China Tower Co., Ltd.	13,819,926.92	5.95	13,819,926.92
Shanghai Putian Youtong Technology Co., Ltd.	8,755,534.00	3.77	8,755,534.00
amount to	72,250,780.24	31.10	59,998,986.69

## 2. Other Receivables

project	ending balance	Year-end balance
dividends receivable	28,685,400.00	19,400,000.00
accounts receivable-other	1,805,885.66	3,494,075.34
amount to	30,491,285.66	22,894,075.34

### (1) Dividends receivable

① Dividend receivable status

Project (or the invested entity)	ending balance	Year-end balance
Subsidiary dividend	28,685,400.00	19,400,000.00

**(2) Other Receivables**

① Disclosure by aging of accounts

Account Age	ending balance	Year-end balance
Within 1 year	886,060.97	944,116.13
1 to 2 years	584,157.05	424,567.94
2 to 3 years	416,076.27	2,330,596.37
3 to 4 years	2,329,596.37	1,004,927.14
4 to 5 years	3,395,274.79	1,252,104.78
More than 5 years	37,528,845.74	39,110,865.61
subtotal	45,140,011.19	45,067,177.97
Less: Bad debt provision	43,334,125.53	41,573,102.63
amount to	1,805,885.66	3,494,075.34

② Classification by nature of funds

Nature of the Fund	End-of-period book balance	Book balance at the end of the previous year
Accounts Receivable and Payables	40,613,763.14	39,807,462.57
Deposit Guarantee Fund	3,702,805.50	4,391,570.77
Business travel petty cash fund	31,492.59	32,492.59
other	791,949.96	835,652.04
subtotal	45,140,011.19	45,067,177.97
Less: Bad debt provision	43,334,125.53	41,573,102.63
amount to	1,805,885.66	3,494,075.34

③ Provision for bad debts

bad debt provision	stage I	stage II	phase III	amount to
	Expected credit losses over the next 12 months	Expected credit losses throughout the entire duration (where no credit impairment has occurred)	Expected credit losses throughout the entire duration (incorporating already occurred credit impairment)	
Year-end balance		10,595,007.73	30,978,094.90	41,573,102.63
This period's accrual		1,761,022.90		1,761,022.90

bad debt provision	stage I	stage II	phase III	amount to
	Expected credit losses over the next 12 months	Expected credit losses throughout the entire duration (where no credit impairment has occurred)	Expected credit losses throughout the entire duration (incorporating already occurred credit impairment)	
ending balance		12,356,030.63	30,978,094.90	43,334,125.53

④ Status of bad debt provisions

class	Year-end balance	Amount of Change for This Period			ending balance
		Accrishment	Recover or Roll Back	Write-off or cancellation	
Age of Debt Provision	10,595,007.73	1,761,022.90			12,356,030.63
Individual Provisioning	30,978,094.90				30,978,094.90
amount to	41,573,102.63	1,761,022.90			43,334,125.53

⑤ Details of the top five other receivables by the debtor's accumulated ending balances

name of organization	Nature of the Fund	ending balance	Account Age	Proportion (%) of the total ending balance of other receivables	bad debt provision ending balance
Beijing Likang General Communication Equipment Co., Ltd.	Accounts Receivable and Payables	28,912,122.71	More than 5 years	64.05	28,912,122.71
Nanjing Putian Technology Co., Ltd.	Accounts Receivable and Payables	1,784,619.72	2-3 years: 21,306.39; 4-5 years: 504,197.5; over 5 years: 1,259,115.83	3.95	1,784,619.72
Nanjing Putian Communication Industrial Co.,	Accounts Receivable and	805,545.63	More than 5 years	1.78	805,545.63

name of organization	Nature of the Fund	ending balance	Account Age	Proportion (%) of the total ending balance of other receivables	bad debt provision ending balance
Ltd.	Payables				
Nanjing Putian Tianji Building Intelligence Co., Ltd.	Accounts Receivable and Payables	476,928.72	Within 1 year	1.06	
Nanjing Municipal Office for the Management of Wage Guarantee Funds for Migrant Workers in Construction Enterprises	Deposit Guarantee Fund	400,000.00	More than 5 years	0.89	400,000.00
amount to	—	32,379,216.78	—	71.73	31,902,288.06

### 3. Long-term equity investment

#### (1) Classification of Long-term Equity Investments

project	ending balance			Year-end balance		
	book balance	Impairment Provision	book value	book balance	Impairment Provision	book value
Investment in a subsidiary	43,226,458.52	1,294,510.00	41,931,948.52	43,226,458.52	1,294,510.00	41,931,948.52
Investment in joint ventures and cooperative enterprises				10,412,683.37		10,412,683.37
amount to	43,226,458.52	1,294,510.00	41,931,948.52	53,639,141.89	1,294,510.00	52,344,631.89

#### (2) Investment in subsidiaries

Invested entity	Year-end balance	Add to this issue	Reduce in this period	ending balance	An impairment provision has been recognized for this period.	End-of-period balance of impairment provision
Nanjing Putian Tianji Building Intelligence Co., Ltd.	3,320,003.45			3,320,003.45		
Nanjing Southern Telecommunications Co., Ltd.	33,175,148.00			33,175,148.00		
Nanjing Putian Datang Information Electronics Co., Ltd.	5,436,797.07			5,436,797.07		
Nanjing Putian Communication Technology Co., Ltd.	1,294,510.00			1,294,510.00		1,294,510.00
amount to	43,226,458.52			43,226,458.52		1,294,510.00

(3) Investment in joint ventures and cooperative enterprises

Invested entity	Year-end balance	Changes in this period				
		additional investment	disinvestment	Investment gains and losses recognized under the equity method	Other Comprehensive Income Adjustments	Other changes in equity
I. Joint Venture						

Invested entity	Year-end balance	Changes in this period				
		additi onal invest ment	disinvestment	Investment gains and losses recognized under the equity method	Other Compreh ensive Income Adjustm ents	Other changes in equity
Enterprise						
Nanjing Puzhu Guang Network Co., Ltd.	10,412,683.37		10,412,571.93	-111.44		
amount to	10,412,683.37		10,412,571.93	-111.44		

( continuous )

Invested entity	Changes in this period			ending balance	End-of-period balance of impairment provision
	Announcement of cash dividend or profit distribution	Make an impairment provision	other		
I. Joint Venture Enterprise					
Nanjing Puzhu Guang Network Co., Ltd.					
amount to					

#### 4. Operating Revenue, Operating Cost

project	Amount for this period		Previous period amount	
	income	prime cost	income	prime cost
main business	27,485,458.90	22,537,378.95	52,233,048.58	48,797,119.68
Other Businesses	4,298,993.26	533,440.19	3,222,939.20	34,374.12
amount to	31,784,452.16	23,070,819.14	55,455,987.78	48,831,493.80

#### (2) Income and Cost Breakdown Information

Income Category	Amount for this period	Previous period amount
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	income	prime cost	income	prime cost
Classified by business type				
communications industry	29,242,844.06	22,569,900.97	53,039,727.38	48,831,493.80
Classification by sales channel				
Direct Sale	29,242,844.06	22,569,900.97	53,039,727.38	48,831,493.80

### (3) Description of Performance Obligations

project	Fulfill performance obligations	Important payment terms	The nature of the goods for which the company undertakes to transfer ownership	Are you the primary responsible party?	The amount expected to be refunded to the customer by the company	The type of quality assurance provided by the company and the corresponding obligations
Sell video conferencing products	Customer acceptance project or signed goods	Make installment payments according to the time nodes specified in the contract.	Video conferencing product	yes	not have	Warranty period: Warranty
Sales of basic communication and networking products	Customer acceptance project or signed goods	Make installment payments according to the time nodes specified in the contract.	Basic Communication Products	yes	not have	Warranty period: Warranty

### (5) Explanation of allocation to the remaining performance obligations

At the end of this reporting period, the revenue corresponding to performance obligations under signed contracts that remain unperformed or incomplete amounted to RMB 8.8698 million, of which the full amount is expected to be recognized as revenue in fiscal year 2026.

### 5. Investment Return

project	Amount for this period	Previous period amount
Gains from long-term equity investments accounted for using the equity method	-111.44	-5.77
Investment income generated from long-term equity investments	7,389,153.73	50,443,030.29
The income from long-term equity investment accounted for using the cost method	9,285,400.00	9,153,400.00
Investment income generated from debt restructuring	643,686.83	879,241.25
amount to	17,318,129.12	60,475,665.77

### XV. Supplementary Information

### 1. Detailed Statement of Non-Recurring Gains and Losses for the Period

project	amount of money	explain
Gains or losses from the disposal of non-liquid assets, including the offset portion of asset impairment provisions already recognized;	5,359,026.59	
Government grants recognized in current period profit or loss shall exclude those that are closely related to the company's normal business operations, comply with national policy regulations, are received according to established standards, and exert a sustained impact on the company's financial results.	1,951,399.86	
Reversal of impairment provisions for receivables subjected to separate impairment testing;	89,028.78	
Profit or loss from debt restructuring;	649,103.12	
Other non-operating income and expenses other than those mentioned above.	2,477,843.44	
Other profit and loss items that meet the definition of non-recurring gains and losses	7,389,153.73	
Total non-recurring gains and losses before income tax	17,915,555.52	
reduction: Amount affected by income tax	324,120.69	
Total non-recurring gains and losses after income tax deduction	17,591,434.83	
Impact of minority shareholders' profit/loss (losss are indicated with "-")	895,779.38	
Net profit excluding non-recurring gains and losses attributable to the owners of the parent company	16,695,655.45	

### 2. Return on Net Assets and Earnings Per Share

Profit for the reporting period	Weighted Average Net Assets rate of return (%)	earnings per share	
		Basic Earnings Per Share	diluted earnings per share
Net profit attributable to the company's ordinary stockholders	-83.73	-0.04	-0.04
Net profit attributable to common shareholders after deducting non-recurring gains and losses	-231.50	-0.12	-0.12

### 3. Differences in accounting data under domestic and foreign accounting standards

(1) Differences in net profit and net assets disclosed in financial reports under both international accounting standards and Chinese accounting standards

Applicable  Not Applicable

(2) Differences in net profit and net assets disclosed in financial reports under both overseas accounting standards and Chinese accounting standards

Applicable  Not Applicable

(3) Explanation of the reasons for differences in accounting data under domestic and foreign accounting standards. For data that has already been audited by overseas auditing institutions and adjusted for differences, the name of the overseas institution should be indicated

Applicable  Not Applicable

Board of Directors of Nanjing Putian Telecommunications Co., Ltd.

April 23, 2026