

Stock Code: 200468

Short Form of the Stock: NJ TEL B

Notice No.: 2022-013

Nanjing Putian Telecommunications Co., Ltd.

Summary of Annual Report 2021

I. Important Notice

The summary is abstract from full-text of annual report, for more details of operating results, financial condition and future development plan of the Company; investors should found in the full-text of annual report that published on media appointed by CSRC.

Other directors attending the Meeting for annual report deliberation except for the followed

Name of director absent	Title for absent director	Reasons for absent	Attorney
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Prompt of non-standard audit opinion

Applicable Not applicable

Profit distribution pre-plan of common stock or capitalizing of common reserves pre-plan deliberated by the Board in the reporting period

Applicable Not applicable

The Company has no plans of cash dividend distributed, no bonus shares and has no share converted from capital reserve.

Profit distribution pre-plan of preferred stock deliberated and approved by the Board in the reporting period

Applicable Not applicable

II. Basic information of the company

1. Company profile

Short form of the stock	NJ TEL B	Stock code	200468
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board	Rep. of security affairs	
Name	Li Jing	Xiao Hong	
Office add.	Putian Technology Pioneer Park, No.8 Fenghui Avenue, Yuhuatai District, Nanjing, Jiangsu Province	Putian Technology Pioneer Park, No.8 Fenghui Avenue, Yuhuatai District, Nanjing, Jiangsu Province	
Fax.	86-25-52416518	86-25-52416518	
Tel.	86-25-69675809	86-25-69675865	
E-mail	lijing@postel.com.cn	xiaohong@postel.com.cn	

2. Main business or product introduction in the reporting period

As one of the important product and solution providers in the domestic information and communication field, The Company adheres to the "product + solution + service" strategy, and continuously accelerates product innovation, industrial structure adjustment, transformation and upgrading. The main business of the Company and its subsidiaries involves optical communication networks, wireless communication networks, data applications, industrial electric and other fields, including optical distribution networks and communication supporting overall solutions (ODN overall solutions, optical network intelligent solutions, energy-saving data centre solutions), multimedia communication and application solutions, building intelligent integrated solutions, industrial intelligent power distribution systems, solar street light control systems, etc. Customers include domestic telecom operators, China Tower and industry customers in government, finance, power, medical and other fields.

The Company's optical distribution network and communication supporting overall solutions can be used for domestic communication network construction, broadcasting and television network transformation, high-speed rail communication construction, urban metro construction, e-commerce industry, etc.; and the data center products are widely used in data center construction projects of operators, internet and other enterprises; the subsidiary Nanjing Southern Telecom Co., Ltd. can provide multimedia communication and application solutions for the large and medium-sized industry customers in the fields of government, finance, medical care, and education, and so on; the subsidiary Nanjing Putian Telege Intelligent Building Ltd. mainly provides customers with mid-to-high-end integrated wiring and building intelligent system solutions; subsidiary Nanjing Nanman Electric Co., Ltd. is oriented towards rail transit, airports, ports and other industrial sites and provides industrial intelligent power distribution products; the subsidiary Nanjing Putian Datang Information Electronic Co., Ltd. mainly provides customers with solar street lamp controllers and Internet of Things street lamp monitoring systems, etc.

The Company mainly obtains business opportunities by participating in project bidding, designs plans, produces or purchases equipment required by customers according to project requirements, and is responsible for installation and debugging, and realizes profits after deducting costs in accordance with the contract price. The Company's operating results are mainly affected by factors such as capital expenditures by telecom operators and industry customers, information input and bidding results, fluctuations in raw material prices and other cost changes.

During the reporting period, The Company granted 14 new patents (including 4 patents for inventions and 10 utility models), and participated in the formulation of multiple industry standards such as *Standards of the PoE System Engineering Technical for Ethernet*. Southern Telecom obtained the Information Technology Service Management System Certification and the participation of building the "isolation area remote visiting system" of Second Hospital of Shandong University won the 5G+Smart Medical Innovation Application Awards; Telege Company obtained the certification of first batch "Power Over Ethernet (PoE) Products" in China.

3. Main accounting data and financial indexes

(1) Main accounting data and financial indexes for recently three years

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

Retroactive adjustment or reasons of re-statement

Correction of accounting errors

Unit: RMB/CNY

	Year-end of 2021	Year-end of 2020	Changes (+, -) compared with the year-end of	Year-end of 2019

				previous year		
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Total assets	993,571,982.44	1,167,608,410.82	1,167,608,410.82	-14.91%	1,652,005,519.44	1,652,005,519.44
Net assets attributable to shareholder of listed Company	65,187,412.69	189,624,160.92	189,624,160.92	-65.62%	169,543,106.29	169,543,106.29
	2021	2020		Changes (+, -) compared with the previous year	2019	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Operating revenue	917,129,674.49	1,025,243,815.83	1,025,243,815.83	-10.55%	1,338,284,194.21	1,156,771,262.94
Net profit attributable to shareholders of the listed Company	-138,766,373.70	21,964,552.84	21,964,552.84	-731.77%	-169,088,516.69	-169,088,516.69
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains and losses	-141,603,716.82	-154,393,042.76	-154,393,042.76	8.28%	-171,904,933.41	-171,904,933.41
Net cash flow arising from operating activities	-61,717,528.76	88,145,348.87	88,145,348.87	-170.02%	22,686,114.91	22,686,114.91
Basic earnings per share (RMB/Share)	-0.65	0.1	0.1	-750.00%	-0.79	-0.79
Diluted earnings per share (RMB/Share)	-0.65	0.1	0.1	-750.00%	-0.79	-0.79
Weighted average ROE	-105.00%	12.29%	12.29%	-117.29%	-66.55%	-66.55%

Reasons for changes in accounting policy and correction of accounting errors

According to relevant requirement of the Decision on Taking Corrective Regulatory Measures Against Nanjing Putian Telecommunications Co., Ltd (Administrative Supervisory Measures Decision Letter of Jiangsu Securities Regulatory Bureau [2022] No.10), and after deliberated and approved by 58th session of 7th BOD held on April 22, 2022, The Company adopted retrospective restatement method to correct the accounting errors for the periodic reports of 2017, 2018 and 2019. For the impact with annual operation results and financial status concerned, found more in the Notice on Correction of Prior Period Accounting Errors released by the Company dated April 26, 2022 and “15(1). Correction of Prior Period Accounting Errors” carried in Section X. of the full text of the Annual Report.

(2) Quarterly main accounting data

Unit: RMB/CNY

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating revenue	190,510,440.63	261,368,169.80	230,970,269.55	234,280,794.51
Net profit attributable to	-15,982,760.06	-13,611,107.13	-6,957,585.43	-102,214,921.08

shareholders of the listed Company				
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains and losses	-16,485,198.74	-13,381,259.75	-6,972,945.34	-104,764,312.99
Net cash flow arising from operating activities	-81,930,160.48	-34,792,112.67	11,355,021.94	43,649,722.45

Whether there are significant differences between the above-mentioned financial index or its total number and the relevant financial index disclosed in the Company's quarterly report and semi-annual report

Yes No

4. Share capital and shareholders

(1) Particulars about common stock shareholders, preference shareholders with voting rights recovered and top ten shareholders

Unit: Share

Total common stock shareholders in reporting period-end	8,100	Total common stock shareholders at end of last month before annual report disclosed	7,949	Total preference shareholders with voting rights recovered at end of reporting period	0	Total preference shareholders with voting rights recovered at end of last month before annual report disclosed	0
Top ten shareholders							
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-tradable shares held	Information of shares pledged, tagged or frozen		
					State of share	Amount	
China Potevio	State-owned corporation	53.49%	115,000,000	115,000,000			
Shenwan HongYuan (H.K.) Limited	Foreign corporation	2.98%	6,416,820	0			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	1.30%	2,794,906	0			
Zheng Enyue	Domestic nature person	1.14%	2,449,739	0			
Sun Huiming	Domestic nature person	0.93%	2,000,000	0			
Gu Jinhua	Domestic nature person	0.87%	1,871,371	0			
Guosen Securities	Foreign corporation	0.85%	1,828,682	0			

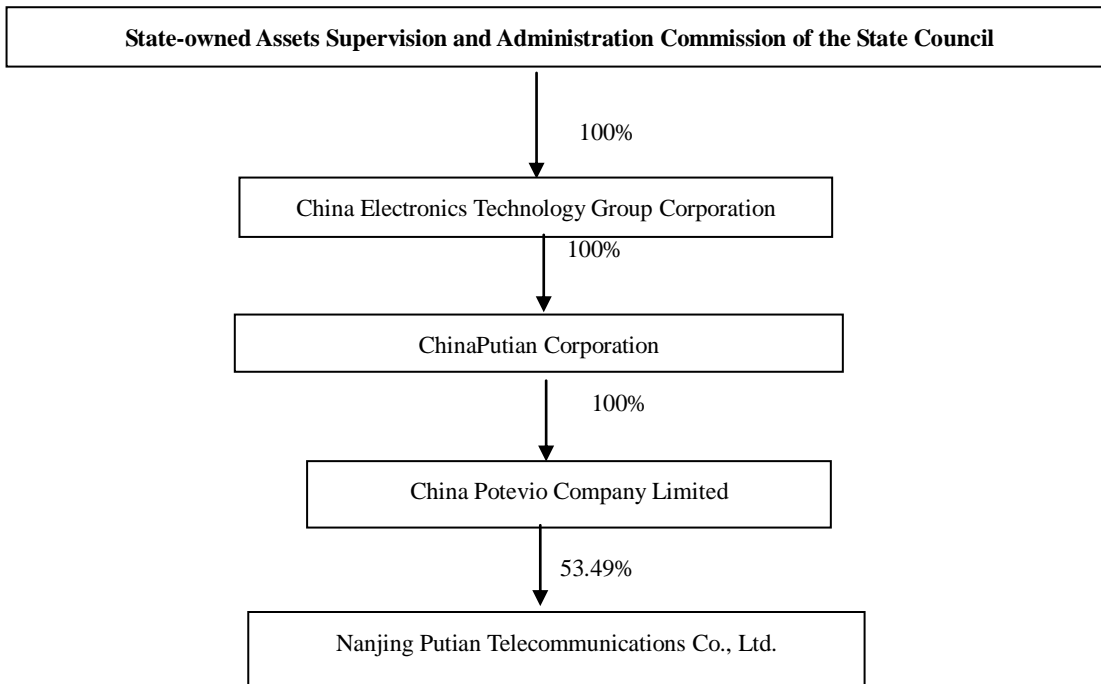
(H.K.) Broker Co., Ltd.						
BOCI SECURITIES LIMITED	Foreign corporation	0.59%	1,266,945		0	
Zhen Hongquan	Domestic nature person	0.46%	991,900		0	
Xiang Yan	Domestic nature person	0.42%	905,602		0	
Explanation on associated relationship or concerted action among the aforesaid shareholders	Among the top ten shareholders, China Potevio is neither a related party nor a person acting in concert with the others. It's unknown by the Company whether there are related parties or persons acting in concert among the other shareholders.					
Explanation on shareholders involving margin business (if applicable)	N/A					

(2) Total preferred stock shareholders of the Company and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

The Company had no shareholders with preferred stock held in the reporting.

(3) Property right and controlling relationships between the actual controllers of the Company and the Company is as follows



5. Bonds in existence as of the approval date of the semi-annual report

Applicable Not applicable

III. Important events

1. Brief description of operations during the reporting period

During the reporting period, The Company adhered to the general principle of seeking progress while maintaining stability, closely focused on The Company's annual business tasks, and continued to carry out industrial adjustment, deepen reform and innovation, reduce redundant staff, and promote cost reduction and efficiency improvement under the enormous pressure from external shocks such as the COVID-19 pandemic and rising raw material prices, as well as The Company's cash flow and production cost. During the reporting period, The Company achieved an operating income of 917.13 million yuan, and net profit attributable to shareholders of the listed company was -138.77 million yuan. The operating income decreased by 10.55% compared with the previous year, mainly due to the intensifying market competition, repeated pandemics, industrial restructuring and other factors. The Company strived to promote product transformation, reduce gross profit business, and improve sales order quality, thus the overall gross profit margin increased, and the comprehensive gross profit margin increased by 3.83% on a year-on-year basis. The Company continued to strengthen the control of general expenses, and expenses decreased by 28.65 million yuan compared with the previous year, however, while the price of raw materials rose and the sales volume declined, The Company still needed to bear fixed costs and expenses, at the same time, The Company made a provision for asset impairment of 107.32 million yuan in accordance with the accounting standards this year, so the current net profit was negative.

2. Change of actual controller during the reporting period

During the reporting period, the state-owned equity of original actual controller of the Company -Potevio Group (China Potevio Information Industry Group Co., Ltd.) was overall free transferred into CETC (China Electronics Technology Group Corporation), the CETC becomes the actual controller of the Company. Found more in notices as Suggestive Notice on the Proposed Transfer of the Entire Equity of the Actual Controller Without Compensation (dated February 25, 2021), the Notice on Approval of the Restructuring of China Potevio and CETC (dated June 24, 2021), the Summary of Acquisition Report of Nanjing Putian Telecommunications Co., Ltd. (dated September 1, 2021), the Acquisition Report of Nanjing Putian Telecommunications Co., Ltd. (dated September 7, 2021) and the Notice on Completion of the Business Change Registration for Equity of Potevio Group(China Potevio Information Industry Group Co., Ltd.) Transfer Without Compensation (dated September 24, 2021).

Board of Directors of
Nanjing Putian Telecommunications Co., Ltd.
26 April 2022