

Stock code: 000016, 200016 Stock abbreviation: Konka Group-A, Konka Group-B
Announcement No.: 2026-37

Bond code: 133783, 134294 Bond abbreviation: 24 Konka 03, 25 Konka 01
134334 25 Konka 03

Summary of 2025 Annual Report of Konka Group Co., Ltd.

I. Important notes

The summary of this annual report is from the full text of the annual report. In order to fully understand the operating results, financial status and future development planning of the Company, investors shall carefully read the full text of the annual report in the media designated by the CSRC.

All the Company's directors have attended the board meeting for the review of this Report.

Reminder of non-standard audit opinion

Applicable Not Applicable

ShineWing Certified Public Accountants (Special General Partnership) issued an unqualified auditor's report with a paragraph on material uncertainty related to going concern for the Company's 2025 annual financial report, which was clarified by the Board of Directors and the Audit Committee. Investors are advised to pay attention to such content.

ShineWing Certified Public Accountants (Special General Partnership) issued an unqualified Internal Control Audit Report with an emphasis of matter paragraph for the Company, which was clarified by the Board of Directors and the Audit Committee. Investors are advised to pay attention to such content.

Profit distribution plan or plan for conversion of provident funds into share capital during the reporting period deliberated by the board of directors

Applicable Not Applicable

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

Preferred share profit distribution plan for the reporting period approved by the resolution of the Board of Directors

Applicable Not Applicable

As of the end of the Reporting Period, the parent company had unappropriated losses.

Applicable Not Applicable

As of the end of the Reporting Period, the parent company had unappropriated losses, and the profit available for distribution to shareholders was negative. In accordance with the No.3 Guideline for the Supervision of Listed Companies - Cash Dividend Distribution of Listed Companies, the Guidelines No. 1 of the STAR Market of Shanghai Stock Exchange for Self-regulation of Listed Companies - Standardized Operation, and other relevant regulations, the Company fails to meet the preconditions for implementing cash dividends yet. Investors are kindly reminded to pay attention to investment-related risks.

II. Basic information of the Company

1. Company Profile

Stock Name	Konka Group-A, Konka Group-B	Stock Code	000016 200016
Stock exchange for stock listing	Shenzhen Stock Exchange		
Previous stock name (if any)	None		
Contact person and contact information	Secretary of the Board of Directors	Securities Representative	
Name	Yu Huiliang	Miao Leiqiang	
Office Address	Konka R&D Building, No. 28 Keji South 12th Road, Science and Technology Park, Yuehai Street, Nanshan District, Shenzhen 518057	Konka R&D Building, No. 28 Keji South 12th Road, Science and Technology Park, Yuehai Street, Nanshan District, Shenzhen 518057	
Fax	0755-26601139	0755-26601139	
Tel.	0755-26609138	0755-26609138	
E-mail	szkonka@konka.com	szkonka@konka.com	

2. Introduction to Main Business or Products During the Reporting Period

(1) Consumer Electronics Business

This division primarily comprises the color TV and white TV sub-divisions, with details as follows:

① Color TV Business

The Company's color TV business serves the global market, mainly including domestic and export businesses. The domestic color TV business mainly focuses on two business models: B2B (an abbreviation for Business-to-Business, namely, business-to-business) and B2C (an abbreviation for Business-to-Consumer, namely, business-to-consumer). Branches, business departments, and after-sales maintenance service outlets have been established across the country. The operating profit is derived from the price difference between the cost of color TV products and their selling prices. As for selling its color TVs abroad, the Company mainly relies on B2B. Its color TVs are sold to Asia Pacific, Middle East, Central & South America, East Europe, etc., and operating profit is also derived from the differences between the costs and the selling prices of its color TVs.

② White Goods Business

The Company's white TV business mainly deals in products such as refrigerators, washing machines, air conditioners, freezers, and dishwashers under B2B and B2C models, primarily targeting the global market and generating profit from product price differences. By acquiring the "Frestec" brand, the Company has built a "KONKA + Frestec" operation strategy. By acquiring the Chinese factory of Beko (front-loading washing machine), the Company has made up for the technical shortcomings in front-loading washing machine production. The Company also built a new Xi'an Smart Home Appliance Industrial Park to explore and develop the dishwasher business. The Company by now has formed a "KONKA + Frestec" operation pattern for its white TV business, with the capability of production and operation of refrigerators, washing machines, freezers, air conditioners, and kitchen appliances.

(2) Semiconductor Business

The Company by now has established a presence in the semiconductor optoelectronics and memory sectors, the former focusing on three major segments - Micro LED and Mini LED chips, mass transfer, and display. After industrialization, the operating profit is derived from the price difference between product cost and selling price; the memory business primarily focuses on the packaging and testing segment, mainly processing steps such as wafer dicing, packaging, and testing.

(3) PCB Business

The Company's PCB business primarily focuses on metal substrate products, thick copper products, and high multi-layer products. Operating under a B2B business model, the Company targets four major electronics fields, namely new energy, automotive electronics, communications & data centers, and new consumer electronics. Profitability is achieved through the spread between product costs and sales prices.

3. Key Financial Information

(1) Main Accounting Data and Financial Indicators in Recent Three Years

Whether the Company needs to retrospectively adjust or restate the accounting data of previous years

Yes No

Reasons for retrospective adjustment or restatement

Correction of accounting errors

Unit: RMB

	End of 2025	End of 2024		Changes from the end of the previous year to the end of the current year	End of 2023	
		Before Adjustment	After Adjustment		After Adjustment	Before Adjustment
Total assets	22,350,904,26 1.25	30,412,763,90 0.34	31,462,204,06 4.56	-28.96%	35,824,818,21 2.66	36,851,973,53 4.48
Equity attributable to the listed company's shareholders	- 6,083,071,689 .95	- 2,369,668,838 .10	- 1,592,467,508 .28	-481.99%	- 5,644,401,184 .65	- 5,297,168,407 .84
	2025	2024		YoY change	2023	
		Before Adjustment	After Adjustment		After Adjustment	Before Adjustment
Operating revenue	9,835,474,916 .53	11,114,763,96 9.59	11,114,763,96 9.59	-11.51%	17,849,331,42 9.24	17,849,331,42 9.24
Net profit attributable to the listed company's shareholders	- 12,582,399,85 6.80	- 3,295,588,668 .77	- 3,725,557,221 .78	-237.73%	- 2,163,790,053 .17	- 2,258,279,326 .65
Net profit attributable to the listed company's shareholders before non-recurring gains and losses	- 10,380,838,80 3.56	- 3,205,504,053 .63	- 3,534,999,165 .55	-193.66%	- 2,914,445,076 .42	- 2,938,068,349 .90
Net cash generated from/used in operating activities	- 1,611,000,121 .19	173,888,842.9 9	173,888,842.9 9	-1026.45%	553,101,277.9 0	553,101,277.9 0
Basic earnings per share (RMB/share)	-5.2254	-1.3686	-1.5472	-237.73%	-0.8986	-0.9378
Diluted earnings per share (RMB/share)	-5.2254	-1.3686	-1.5472	-237.73%	-0.8986	-0.9378
Weighted average return on equity	不适用	-82.56%	-108.62%	不适用	-32.58%	-35.62%

Reasons for changes in accounting policies and details of corrections of accounting errors

After self-examination, due to the failure to consider special provisions for some equity transfer projects, insufficient provision for patent fees in previous years, and bad debt provisions for individual customers' accounts receivable, the company has made corrections to relevant error items, involving the consolidated balance sheet, consolidated income statement, consolidated statement of changes in owner's equity accounts for the years 2022 to 2024, the first quarter, half year, and third quarter of 2025, as well as the parent company's balance sheet, parent company's income statement, and parent company's statement of changes in owner's equity accounts. The specific situation is as follows:

1. When introducing strategic investors for Chongqing ypfun Technology Co., Ltd. (hereinafter referred to as "ypfun") in 2021, the Company signed supplementary agreements with 11 investors, promising that if ypfun failed to complete its IPO before the agreed time, the Company would be obliged to repurchase their transferred equity at the original transfer price and pay interest. The above-mentioned agreed matters did not go through the approval procedures of the Company's Board of Directors and the General Meeting, and were not subjected to appropriate accounting treatment and information disclosure. Based on this contractual obligation and the facts currently known, the Company's management recognized this obligation as a financial liability and corrected previous accounting errors.
2. When transferring the equity of Anhui Kaikai Vision E-commerce Co., Ltd. (hereinafter referred to as "Kaikai Vision") in previous years, the Company entered into an agreement with Alibaba (China) Network Technology Co., Ltd. (hereinafter referred to as "Alibaba"), under which the Company undertook to repurchase the transferred equity at the original transfer price and pay interest if Kaikai Vision failed to complete its IPO before the agreed time. Since Kaikai Vision failed to complete its IPO within the agreed period, Alibaba filed a lawsuit against the Company in 2024, and the Company paid the equity repurchase amount and interest to Alibaba in 2025. The above-mentioned agreed matters did not go through the Company's internal approval procedures and were not subjected to appropriate accounting treatment. Based on this contractual obligation and the facts currently known, the Company's management recognized this obligation as a financial liability and corrected previous accounting errors.
3. The color TV products operated by the Company use industry-standard essential patents. Through self-inspection, the Company found that there were differences in previous payment data and that some patented technologies without prior usage agreements were recovered by the obligees. The Company should make supplementary provisions for such patent royalties in previous years and correct previous accounting errors.

4. The Company previously had circumstances where receivables from customers were not fully accrued due to underlying customers being difficult to collect payments from, resulting in accounting errors and inaccurate disclosure of relevant financial information, requiring correction of prior period accounting errors.

(2) Quarterly Main Accounting Data

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	2,544,411,519.38	2,703,096,329.89	2,431,462,871.94	2,156,504,195.32
Net profit attributable to the listed company's shareholders	94,810,677.19	-478,138,696.62	-598,192,530.33	-11,600,879,307.04
Net profit attributable to the listed company's shareholders before non-recurring gains and losses	-440,636,189.54	-586,865,935.72	-494,190,886.44	-8,859,145,791.86
Net cash generated from/used in operating activities	-421,786,013.66	-253,837,417.27	-410,704,971.11	-524,671,719.15

Whether there are significant differences between the above financial indicators or the sum and the relevant financial indicators in the company's disclosed quarterly reports and semi-annual reports

Yes No

4. Share Capital and Shareholders

(1) Number of ordinary shareholders and preferred shareholders with restored voting rights and shareholdings of top 10 shareholders

Unit: Share

Number of ordinary shareholders as at the end of the Reporting Period	134,165	Number of ordinary shareholders at the month-end prior to the disclosure of this Report	126,753	Number of preferred shareholders with resumed voting rights	0	Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report	0
Shareholdings of the top 10 shareholders (excluding shares lent through refinancing)							
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held	Restricted shares held	Shares in pledge, marked or frozen		
					Status	Quantity	
Panshi Runchuang (Shenzhen) Information Management Co., Ltd.	State-owned legal person	21.76%	524,022,432	0	Not applicable	0	
CITIC Securities Brokerage	Foreign legal	8.24%	198,361,110	0	Not	0	

(Hong Kong) Co., Ltd.	person				applicable	
Guoyuan Securities Brokerage (Hong Kong) Co., Ltd.	Foreign legal person	2.55%	61,327,243	0	Not applicable	0
HOLY TIME GROUP LIMITED	Foreign legal person	2.34%	56,289,100	0	Not applicable	0
Wang Jingfeng	Domestic natural person	1.12%	27,001,800	0	Not applicable	0
Li Tao	Domestic natural person	0.71%	17,000,000	0	Not applicable	0
NAM NGAI	Foreign natural person	0.64%	15,300,400	0	Not applicable	0
Xu Zhiwang	Foreign natural person	0.37%	8,887,629	0	Not applicable	0
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	0.36%	8,775,097	0	Not applicable	0
Xu Xionggui	Foreign natural person	0.25%	5,995,480	0	Not applicable	0
Related or acting-in-concert parties among the shareholders above	Panshi Runchuang and Commotra Company Limited are both wholly-owned subsidiaries of China Resources and parties acting in concert; panshi Runchuang holds 524,022,432 A-shares of Konka Group Co., Ltd., accounting for 21.76% of the total share capital, and is the controlling shareholder of the company. Commotra Company Limited holds 198,361,110 B-shares of Konka Group Co., Ltd. through CITIC Securities Brokerage (Hong Kong) Co., Ltd., accounting for 8.24% of the total share capital; it is unknown whether other shareholders are related or act in concert.					
Description of Shareholders Participating in Margin Lending and Securities Lending Business (if any)	A-share shareholder Wang Jingfeng holds 27,001,800 shares through the Client Credit Trading Collateral Securities Account of Guotai Haitong Securities Co., Ltd. A-share shareholder Li Tao holds 17,000,000 shares through the Client Credit Trading Collateral Securities Account of Guotai Haitong Securities Co., Ltd.					

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares in refinancing business and lending shares

Applicable Not Applicable

Changes to the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares compared with the previous period due to refinancing lending/repayment

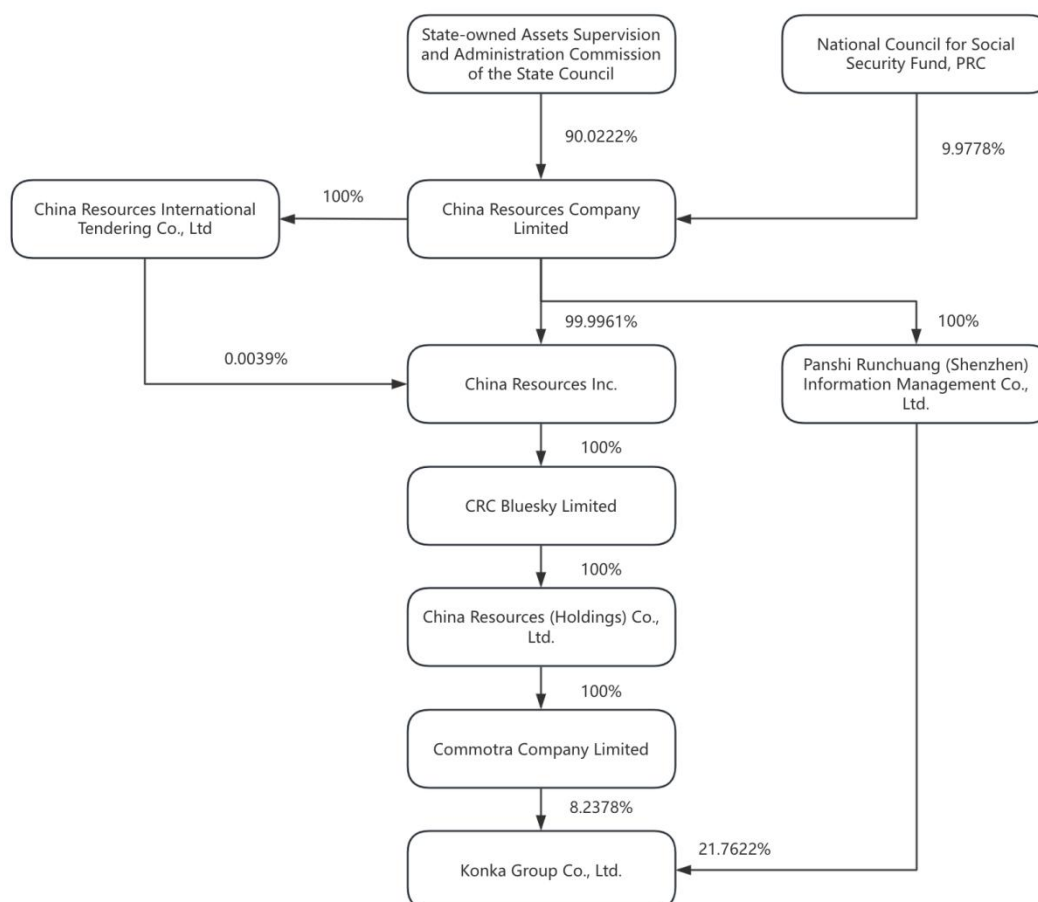
Applicable Not Applicable

(2) Total Number of Preferred Shareholders and Shareholdings of Top 10 Preferred Shareholders of the Company

Applicable Not Applicable

There were no shareholdings of preferred shareholders during the reporting period.

(3) Disclose the Property Rights and Control Relationship Between the Company and the De Facto Controller in the Form of Block Diagram



5. Bonds Existing on the Approval Date of the Annual Report

√ Applicable □ Not Applicable

(1) Basic Information of Bonds

Name	Abbr.	Code	Issue date	Due date	Bond Balance (RMB'0,000)	Interest rate
Privately placed corporate bonds to professional investors in 2024 of Konka Group Co., Ltd. (Tranche II) (Variety II)	24 Konka 03	133783	March 18, 2024	March 18, 2027	40,000	4.03%
Privately placed corporate bonds to professional investors in 2025 of Konka Group Co., Ltd. (Tranche I) (Variety I)	25 Konka 01	134294	June 23, 2025	June 23, 2028	41,000	3.50%
Privately placed corporate bonds to professional investors in 2025 of Konka Group Co., Ltd. (Tranche II) (Variety I)	25 Konka 03	134334	July 04, 2025	July 04, 2028	79,000	2.80%
Interest Payment of Corporate Bonds During the Reporting Period	<p>During the reporting period, the Company has paid the interest and principal of "22 Konka 01" for the period from July 14, 2024 to July 13, 2025 on July 14, 2025. "22 Konka 01" was redeemed and delisted on the Shenzhen Stock Exchange on July 14, 2025.</p> <p>The Company has paid the interest and principal of "22 Konka 03" for the period from September 8, 2024 to September 7, 2025 on September 8, 2025. "22 Konka 03" was redeemed and delisted on the Shenzhen Stock Exchange on September 8, 2025.</p> <p>The Company has paid the interest and principal of "22 Konka 05" for the period from October 18, 2024 to October 17, 2025 on October 20, 2025. "22 Konka 05" was redeemed and delisted on the Shenzhen Stock Exchange on October 18, 2025.</p> <p>The Company has paid the interest of "24 Konka 01" for the period from January 29, 2024 to January 28, 2025 on February 5, 2025.</p>					

	<p>The Company has paid the interest of "24 Konka 02" for the period from March 18, 2024 to March 17, 2025 on March 18, 2025.</p> <p>The Company paid the interest on "24 Konka 03" for the period from March 18, 2024 to March 17, 2025 on March 18, 2025.</p> <p>During the reporting period, "25 Konka 01" and "25 Konka 03" have not yet reached the first interest payment date.</p> <p>As of the date of approval of this annual report, the Company has paid the interest for the period from January 29, 2025 to January 28, 2026 and the put-back principal of "24 Konka 01" on January 29, 2026. "24 Konka 01" was cashed and delisted on the Shenzhen Stock Exchange on January 29, 2026.</p> <p>The company has paid the interest for the period from March 18, 2025 to March 17, 2026 and the put-back principal of "24 Konka 02" on March 18, 2026. "24 Konka 02" was redeemed and delisted on the Shenzhen Stock Exchange on March 18, 2026.</p> <p>The company paid the interest on "24 Konka 03" for the period from March 18, 2025 to March 17, 2026 on March 18, 2026.</p> <p>Remarks: If the interest exchange/redemption date of the bonds issued by the Company is not a trading day in the current year, it shall be postponed to the next trading day of the interest exchange/reduction date.</p>
--	--

(2) Latest tracking rating and rating changes of corporate bonds

During the reporting period, the credit rating results of the Company's entities and corporate bonds were not adjusted.

On June 12, 2025, United Ratings Co., Ltd. issued the 2025 Tracking Rating Report on Private Placement of Corporate Bonds of Konka Group Co., Ltd. (Lianhe [2025] No. 3481). The results of this tracking rating are as follows: the long-term credit rating of the Company's main body is maintained at AA, the credit rating of "22 Konka 01" is AAA, and the rating outlook is stable. On June 12, 2025, United Ratings Co., Ltd. issued the 2025 Tracking Rating Report on Private Placement of Corporate Bonds of Konka Group Co., Ltd. (Lianhe [2025] No. 3482). The results of this tracking rating are as follows: the long-term credit rating of the company's main body is maintained at AA, the credit rating of "24 Konka 01" is AAA, and the rating outlook is stable.

(3) As of the end of the reporting period, the main accounting data and financial indicators of the Company for the recent two years

Unit: RMB'0,000

Item	2025	2024	YoY change
Debt/asset ratio	126.22%	95.37%	30.85%
Net profit after deducting non-recurring gains/losses	-1,038,083.88	-353,499.92	-193.66%
EBITDA/debt ratio	-54.80%	-12.51%	-42.29%
Times interest earned	-13.84	-4.75	-191.37%

Note: The financial data related to previous years in this report are the amounts corrected for errors.

III. Important matters

In 2025, through professional integration, the Company continued optimizing its business structure, while steadily promoting cost reduction and efficiency improvement, laying a solid foundation for the Company's future development.

In 2025, the Company achieved operating revenue of RMB 98.35 hundred million, down 11.51% YoY, and net profit attributable to shareholders of the listed company of RMB -125.82 hundred million with a YoY decrease of 237.73%; cash flow from operating activities was RMB -16.11 hundred million, down 1026% year-on-year.

(1) Reasons for performance changes in 2025

① In 2025, the Company's consumer electronics business witnessed a decline in operating revenue due to insufficient product competitiveness. Despite the decrease of overall expenses year-on-year, the gross profit still failed to cover the expenses, leaving the consumer electronics business in a loss-making state.

② In 2025, in accordance with the Accounting Standards for Business Enterprises, the company made provision for impairment losses on accounts receivable, other receivables, inventories, investment real estate, fixed assets, intangible assets, construction in progress, goodwill, long-term equity investments, other current assets, other non-current assets and other items, and recognized certain contingent liabilities. As a result, the company incurred a net loss attributable to shareholders of listed companies in 2025, and its net assets attributable to shareholders of listed companies turned negative.

(2) Key tasks for 2025

In 2025, against the backdrop of professional integration, the Company further clarified its strategic goals and paths for achievement, with focus on improving the operations of its main businesses under the following work progress:

① Professional management of R&D, production, supply, and sales

In terms of R&D, the Company set up a Research Institute responsible for coordinating Konka's strategic R&D strategies and building a three-tiered R&D system.

For the supply chain, the Company gave full play to the role of the Supply Chain Management Department in coordinating the procurement of bulk and unified raw materials, thus promoting cost reduction in the supply chain.

As for marketing, the Company established China Marketing Headquarters and International Marketing Business Division to steadily advance loss reduction and conversion into profits in the domestic sales businesses, while building the overseas brand image and transforming the marketing pattern of branded products through integration and collaboration.

On the production side, the Company clarified the orientation for optimizing and integrating production bases and planned to launch intelligent upgrading for some factories for qualitative improvement in the Company's manufacturing capabilities in line with the industry benchmarks.

② Further collaboration for market growth

Based on the Company's business characteristics and CR Group's industrial resources, a cooperation plan covering 5 major areas was formulated to deepen business synergy with subsidiaries of CR Group. The "China Resources Fuzhou Gas Store & Konka Quality Base" officially opened at the end of 2025, while other cooperation plans are under progressive implementation.

③ Loss reduction and efficiency improvement in existing businesses

In terms of business integration, the color TV business and the white goods business are being integrated in some regions. Such measures such as marketing channels, resources, and workforce reusing were taken to drive the Company's consumer electronics businesses into a collaborative pattern, with an incremental performance of approximately RMB 150 million for the year.

In terms of service integration, the Company completed a joint tender for black and white goods express logistics, reducing the overall express logistics costs for both categories by 23.37%; and constantly enhancing the reuse of service providers for the color and white goods businesses, as well as for the Konka and Frestec brands.

In manufacturing efficiency enhancement, benchmarking against industry leaders, all manufacturing bases steadily improved production efficiency, with manufacturing cost per unit meeting the target. In the quality products, total sales exceeded 750,000 sets, generating revenue of over RMB 1 billion. Ningbo Konka Hanrui Electrical Appliance Co., Ltd. surpassed its sales target for the 1 HP inverter series air conditioners, while Jiangsu Konka Smart Appliance Co., Ltd. leveraged its 530 Platform to create differentiated products, completing its product matrix.

On the other hand, the Company clarified its strategy for improving the structure of the color TV business, focusing resources on its own brand business to further advance the brand towards high-end positioning. The Company deepened its cooperation with key customers in the white goods business, promoting in-depth exchanges in areas such as product technology, design, and key indicators.

④ Corporate transformation and development through organizational optimization

The Company comprehensively advanced organizational restructuring efforts, optimized its headquarters functions, and strengthened the professional capabilities of the corporate headquarters team. The Company restructured its business units to adapt to

industry characteristics, scaled back non-core businesses, and established 4 secondary business divisions to for the business development. A mechanism of job competition was adopted to further revitalize the organizational vitality and to establish an organizational structure that aligns with market principles and business management needs.

Konka Group Co., Ltd.
Board of Directors
April 29, 2026