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南京熊猫电子股份有限公司

NANJING PANDA ELECTRONICS COMPANY LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00553)

**DISCLOSEABLE TRANSACTION
SUBSCRIPTION
OF WEALTH MANAGEMENT PRODUCTS**

Reference is hereby made to the announcement dated 17 November 2017 pursuant to which, the Company entered into an Entrusted Investment Agreement with CEC Finance on 16 November 2017, with an entrusted investment amount of RMB210 million (approximately HK\$245.7 million), which will be invested in principal-guaranteed wealth management products issued by Industrial Bank Co., Ltd..

The Board is pleased to announce that on 23 November 2017, the Company, used its own temporarily idle fund of RMB100 million (approximately HK\$117 million) to invest in principal-guaranteed wealth management products issued by Industrial Bank Co., Ltd. in accordance with the Wealth Management Agreement.

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the First Investment is more than 5% but less than 25%, the First Investment constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under the Listing Rules.

The Second Investment by itself does not constitute a discloseable transaction of the Company under the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, the First Investment will be aggregated with the Second Investment, and the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are lower than 25%. Therefore, the Second Investment also constitutes a discloseable transaction of the Company for the purposes of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

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THE SECOND INVESTMENT

On 23 November 2017, the Company, used its own temporarily idle fund of RMB100 million to purchase the wealth management products issued by Industrial Bank Co., Ltd. in accordance with the Wealth Management Agreement. The terms of the Wealth Management Agreement are summarised as follows:

Date of Wealth Management Agreement: 23 November 2017

Parties:

- (i) the Company
- (ii) Industrial Bank Co., Ltd.

Industrial Bank Co., Ltd. is a licensed bank incorporated under the laws of the PRC. To the best knowledge, information and belief of the Directors, Industrial Bank Co., Ltd. and its ultimate beneficial owners are independent third parties. The principal businesses of Industrial Bank Co., Ltd. include the provision of corporate and retail services, capital operation, investment banking, assets management, trust and financial leasing as well as other financial services.

Name of the wealth management product: Industrial Bank Co., Ltd. “Golden Snowball Superior” “principal-guaranteed and open-end Renminbi wealth management product (3M)” (興業銀行“金雪球－優悅”保本開放式人民幣理財產品(3M))

(1) Currency of Principal and returns:	RMB100,000,000
(2) Type of the product:	Principal-guaranteed and open-end wealth management product
(3) Term of investment:	3 months
(4) Investment period:	From 23 November 2017 to 23 February 2018
(5) Early termination:	Customers don't have the right of early termination; Industrial Bank Co., Ltd. has the right of early termination
(6) Reference net annual return rate:	4.7%

Risk Control Measures

Giving top priority to risk prevention, the Company implemented stringent control and made prudent decision in respect of the purchase of bank wealth management products on the principle of protecting the interests of all Shareholders and the Company. The products purchased by the Company this time are principal-guaranteed wealth management products. During the term of the wealth management products, the Company will keep in close contact with the relevant bank to follow up the utilisation of funds, strengthen risk control and supervision, and strictly control the security of funds.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The investment with temporarily idle funds of the Company was conducted this time on the premises that the self-owned funds are guaranteed, and that it would not impact the daily capital turnover of the Company or the operation of the Company's principal businesses.

The investment with temporarily idle funds of the Company could improve the capital usage efficiency and earn certain investment returns. The Directors are of the view that the terms of this investment are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP

The Group is principally engaged in the development, manufacturing and sale of electronic equipment and consumer electronic products as well as electronic manufacturing services.

REQUIREMENTS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the First Investment is more than 5% but less than 25%, the First Investment constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under the Listing Rules.

The Second Investment by itself does not constitute a discloseable transaction of the Company under the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, the First Investment will be aggregated with the Second Investment, and the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are lower than 25%. Therefore, the Second Investment also constitutes a discloseable transaction of the Company for the purposes of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following terms used herein have the following meanings:

“Board”	the board of Directors
“CEC”	China Electronics Corporation (中國電子信息產業集團有限公司), the de facto controller of the Company
“CEC Finance”	China Electronics Financial Co., Ltd. (中國電子財務有限責任公司), a company incorporated in the PRC and a non-banking financial institutions of CEC owned as to 55.6723% and 25.1293% by CEC and Nanjing Electronics Information Industrial Corporation, respectively
“Company”	Nanjing Panda Electronics Company Limited, a joint stock company incorporated in the PRC with limited liability
“Director(s)”	the directors of the Company

“Entrusted Investment Agreement”	the entrusted investment agreement entered into between the Company and CEC Finance on 16 November 2017, the principal terms of which are summarized in the announcement of the Company dated 17 November 2017
“First Investment”	the Company entrusts the entrusted funds to CEC Finance for various investments in the name of CEC Finance on behalf of the Company in accordance with the Entrusted Investment Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties independent of the Company and its connected persons
“Industrial Bank Co., Ltd.”	Industrial Bank Co., Ltd., a licensed bank incorporated under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Second Investment”	the Company subscribes for wealth management products at a subscription amount of RMB100,000,000 in accordance with the Wealth Management Agreement
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Management Agreement”	the wealth management agreement entered into between the Company and Industrial Bank Co., Ltd. on 23 November 2017, the principal terms of which are summarized in this announcement

“Wealth Management Products” the wealth management products denominated in Renminbi subscribed for by the Company in accordance with the Wealth Management Agreement

“%” per cent

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.17. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By order of the Board
Nanjing Panda Electronics Company Limited
Xu Guofei
Chairman

Nanjing, the People’s Republic of China
24 November 2017

As at the date of this announcement, the Board comprises Executive Directors: Mr. Xu Guofei, Mr. Chen Kuanyi and Mr. Xia Dechuan; Non-executive Directors: Mr. Lu Qing, Mr. Deng Weiming and Mr. Gao Gan; and Independent Non-executive Directors: Ms. Du Jie, Mr. Chu Wai Tsun, Vincent and Mr. Zhang Chun.