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南京熊猫電子股份有限公司
NANJING PANDA ELECTRONICS COMPANY LIMITED
(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00553)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Announcement in Relation to A Senior Management Member of Nanjing Panda Electronics Company Limited Receiving An Advance Notice of Administrative Penalty from Hunan Bureau of China Securities Regulatory Commission published on the website of the Shanghai Stock Exchange of the People's Republic of China by Nanjing Panda Electronics Company Limited (the “**Company**”) is set out herein for reference only.

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

Nanjing, the People's Republic of China
20 December 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.

**NANJING PANDA ELECTRONICS COMPANY LIMITED
ANNOUNCEMENT IN RELATION TO A SENIOR MANAGEMENT
MEMBER RECEIVING AN ADVANCE NOTICE OF
ADMINISTRATIVE PENALTY FROM HUNAN BUREAU OF CHINA
SECURITIES REGULATORY COMMISSION**

The board of directors of the Company and all its board members warrant that this announcement does not contain any false representations, misleading statements or material omissions, are severally and jointly responsible for the truthfulness, accuracy and completeness of the contents of this announcement.

On 27 July 2017, Nanjing Panda Electronics Company Limited (the “Company” or “NPEC”) received a report from Mr. Guo Qing, a deputy general manager of the Company, that he was served with the Notice of Investigation (No.: Xiang Ji Diao Cha Zi No. 0525) dated 26 July 2017 by China Securities Regulatory Commission which decided to speak with him for understanding of relevant information. For details, please refer to the relevant announcements of the Company dated 28 July 2017 published on the website of the Shanghai Stock Exchange and in China Securities Journal and Shanghai Securities News.

On 19 December 2017, Mr. Guo Qing received the Advance Notice of Administrative Penalty from Hunan Bureau of China Securities Regulatory Commission (the “Bureau”) (Chu Fa Zi [2017] No. 2) with the main contents as follows:

Upon investigation on the case in relation to the suspected short-swing trading of the shares of “NPEC” by Guo Qing, the Bureau proposed to make administrative penalty according to law. The Bureau hereby informs the fact of malfeasance, reasons and basis for making the proposed administrative penalty as well as the relevant rights entitled to.

As ascertained through investigation, the fact of suspected malfeasance is as follows:

From 1 March to 24 November 2016, Guo Qing continuously traded the shares of NPEC with his own account. The basic information on transactions are as follows: on 1 March 2016, he purchased 5,000 shares at a consideration of RMB55,850.00; on 7 March, he sold 5,000 shares at a consideration of RMB59,850.00; on 14 March, he purchased 1,500 shares at a consideration of RMB18,150.00; on 5 September, he purchased 600 shares at a consideration of RMB9,300.00; and on 24 November, he sold 2,100 shares at a consideration of RMB32,487.00.

The gains from the abovementioned transactions amounted to RMB9,037.00 (exclusive of transaction costs) or RMB8,414.24 (inclusive of transaction costs).

The aforementioned conducts by Guo Qing have violated Article 47 of the Securities Law, which provides that “Any gains from sale of shares in a listed company by any directors, supervisors, senior management or shareholders holding 5% or more of the shares in the listed company within six months after their purchase of the same, and any gains from purchase of shares in the company by any of the aforesaid parties within six months after sale of the same shall be paid to the company. The board of directors of the company shall forfeit such gains from the abovementioned parties. The abovementioned conducts constitute a short-swing trading as described in Article 195 of the Securities Law.

Based on the fact, nature, circumstance and social harmfulness of Guo Qing’s illegal conducts, and according to the provisions under Article 195 of the Securities Law , the Bureau proposed to make the decision of: issuing a warning to Guo Qing and imposing a fine of RMB30,000.

According to Articles 32 and 42 under the Administrative Penalty Law of People’s Republic of China (《中華人民共和國行政處罰法》) and relevant provisions of the Administrative Penalty Hearing Rules of Hunan Bureau of China Securities Regulatory Commission (《中國證券監督管理委員會湖南監管局行政處罰聽證規則》), with regard to the administrative penalty to be imposed by the Bureau, the party shall be entitled to statement and defense. The Bureau will adopt the facts, reasons and evidence provided by the party which are testified by the Bureau through review. Should the party waive the rights of making statement and defense, the Bureau will make a formal decision on administrative penalty in accordance with the abovementioned facts, reasons and evidence.

The Company will fulfill its obligation of information disclosure in a timely manner depending on the progress of the event.

Announcement is hereby given.

The board of directors of Nanjing Panda Electronics Company Limited
20 December 2017