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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 PRODUCT

The Board is pleased to announce that on 1 March 2018, the Company, used its own temporarily idle fund of RMB210 million (approximately HK\$258.72 million) to invest in the principal-guaranteed Wealth Management Product issued by SPD Bank in accordance with the Wealth Management Agreement.

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

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THE INVESTMENT

On 1 March 2018, the Company, used its own temporarily idle fund of RMB210 million to purchase the Wealth Management Product issued by SPD Bank in accordance with the Wealth Management Agreement. The terms of the Wealth Management Agreement are summarised as follows:

Date of Wealth Management Agreement: 1 March 2018

Parties:

- (i) the Company
- (ii) SPD Bank

SPD Bank is a licensed bank incorporated under the laws of the PRC. To the best knowledge, information and belief of the Directors, SPD Bank and its ultimate beneficial owners are independent third parties. The principal businesses of SPD Bank 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: SPD Bank Liduoduo Structured Deposit Fixed-term Product JG902 (上海浦東發展銀行利多多對公結構性存款固定持有期JG902期).

(1) Currency of Principal and returns: RMB210,000,000

(2) Type of the product: Principal-guaranteed Wealth Management Product

(3) Term of investment: 90 days after the confirmation date of subscription (excluding the confirmation date), and if the product is terminated in advance by the seller, such termination date will be the maturity date.

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| (4) Subscription and the confirmation date of subscription: | Buyer may submit application for subscription during the working hours of the open days; if the buyer subscribes on day T, the seller will withdraw the subscription monies and confirm the subscription amount on day T+1 and such date, if such withdrawal and confirmation are successfully completed, will be regarded as the confirmation date of subscription (both day T and day T+1 should be working days). |
| (5) Early redemption: | The Company cannot redeem the product prior to its maturity. |
| (6) Early termination: | If the one-month Shibor for the two working days immediately preceding an early termination date is lower than 1.5%, then the seller is entitled but not obliged to terminate the product on the early termination date, and shall publish a notice concerning such matter at its business outlets or on its website or by other means one working day before such early termination date without giving separate notice to the buyer. Early termination dates shall fall on the 30th and 60th days after the confirmation date or the next working day(s) thereafter if such days are public holidays. |
| (7) Expected annual return rate: | 4.6% |

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 product purchased by the Company this time is the principal-guaranteed Wealth Management Product. During the term of the Wealth Management Product, 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 Investment is more than 5% but less than 25%, the Investment constitutes a discloseable transaction of the Company, 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
“Company”	Nanjing Panda Electronics Company Limited, a joint stock company incorporated in the PRC with limited liability
“Director(s)”	the directors of the Company
“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
“Investment”	the Company subscribes for Wealth Management Product at a subscription amount of RMB210,000,000 in accordance with the Wealth Management Agreement

“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
“Shareholder(s)”	the shareholder(s) of the Company
“SPD Bank”	Shanghai Pudong Development Bank Co., Ltd., a licensed bank incorporated under the laws of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Management Agreement”	the wealth management agreement entered into between the Company and SPD Bank on 1 March 2018, the principal terms of which are summarized in this announcement
“Wealth Management Product”	the wealth management product 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\$1.232. 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
2 March 2018

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.