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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)

ANNOUNCEMENT IN RELATION TO THE RE-ELECTION OF THE BOARD OF DIRECTORS AND THE SUPERVISORY COMMITTEE

Reference is made to the announcement of Nanjing Panda Electronics Company Limited (the “**Company**”) dated 19 April 2018 in relation to the re-election of the board of directors (the “**Board**”) and the supervisory committee (the “**Supervisory Committee**”).

RE-ELECTION OF THE BOARD

As nominated by Panda Electronics Group Limited (“**PEGL**”), the controlling shareholder of the Company, and reviewed by the nomination committee of the Board, the proposed nominations of Mr. Xu Guofei, Mr. Chen Kuanyi, Mr. Xia Dechuan as candidates for executive directors of the 9th session of the Board of the Company, and Mr. Lu Qing, Mr. Deng Weiming as candidates for non-executive directors of the 9th session of the Board of the Company were considered and approved; as nominated by China Huarong Asset Management Co., Ltd., a shareholder of the Company, and reviewed by the nomination committee of the Board, the proposed nomination of Mr. Gao Gan as a candidate for non-executive director of the 9th session of the Board of the Company was considered and approved; and the proposed nominations of Ms. Du Jie, Mr. Zhang Chun, Mr. Gao Yajun as candidates for independent non-executive directors of the 9th session of the Board of the Company were considered and approved by the Board. The terms of office of the above directors will be three years, with effect from consideration and approval of such resolutions at the general meeting of the Company. It is recommended that the remunerations of members of the 9th session of the Board be determined within the limit of RMB6.8 million, being the total sum of annual remuneration of directors, supervisors and senior management. The resolutions are subject to consideration at the general meeting of the Company.

Mr. Chu Wai Tsun, Vincent has confirmed that he has no disagreement with the Board and there are no other matters relating to his retirement as an independent non-executive director that need to be brought to the attention of the shareholders of the Company. Mr. Chu Wai Tsun, Vincent has performed his duty diligently and conscientiously during his tenure of service as an independent non-executive director of the Company. The Company would like to express its sincere gratitude to him for his contributions.

Pursuant to the disclosure requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the biographical details of the candidates for directors are as follows:

Candidates for Executive Directors

Mr. Xu Guofei, born in 1962, is a senior post-graduate engineer and holds a master’s degree in business administration from the Southeast University. Mr. Xu has served as standing Deputy Manager of the Communication Equipment Department and General Manager of the Military Communications Department of PEGL, Deputy General Manager of PEGL and Deputy General Manager and General Manager of Nanjing Electronics Information Industrial Corporation (“**NEIIC**”) etc. Mr. Xu has been the General Manager of PEGL since November 2004, the General Manager of NEIIC from July 2010 to March 2016, assistant to the General Manager of China Electronics Corporation (“**CEC**”) since June 2013, chairman of NEIIC since January 2016, and Communist Party Committee Secretary of NEIIC and PEGL since March 2016. Mr. Xu was appointed as the executive director and Chairman of the Nanjing Panda Electronics Company Limited in June 2016. Mr. Xu has engaged in the work of development and management of communication technology for a long period and has extensive knowledge of electronics technology and experience in operation management.

Currently, Mr. Xu Guofei also serves as Chairman of Nanjing Huadong Electronic Information & Technology Co., Ltd, which is listed on Shenzhen Stock Exchange (Stock code: 000727).

As at the date of this announcement, Mr. Xu is deemed to be interested in 2,546 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Chen Kuanyi, born in 1962, is a senior engineer at researcher level, graduated from the Department of Electronic Engineering of Northwest Telecommunication Engineering College (currently known as Xidian University) with a bachelor's degree in electronic engineering and from Nanjing University Business School with an EMBA degree. Mr. Chen has successively served as the assistant to the head and Deputy Head of the Research Institute of Electronic Equipment of the State-owned Xinlian Machinery Plant (國營新聯機械廠電子設備研究所), Deputy General Manager of Nanjing Xinlian Electronic Equipment Engineering Company (南京新聯電子裝備工程公司), Deputy Head of the Military Industry Department of the State-owned Xinlian Machinery Plant (國營新聯機械廠軍工部), and Deputy General Manager and standing Deputy General Manager of Nanjing Keruida Electronic Equipment Co., Ltd. (南京科瑞達電子裝備有限責任公司). Mr. Chen has served as an executive director and the General Manager of Nanjing Changjiang Electronic Information Industry Group Co., Ltd. from January 2011 to May 2016 and concurrently the Communist Party Committee Secretary of Nanjing Changjiang Electronic Information Industry Group Co., Ltd. from August 2013 to May 2016. He has also served as the General Manager of NEIC since March 2016. Mr. Chen was appointed as an executive director and the Vice Chairman of the Company in June 2016. Mr. Chen Kuanyi has long been engaged in research and design of electronic systems as well as enterprise management, and has extensive expertise and experience in operation and management.

Currently, Mr. Chen Kuanyi, also serves as Vice Chairman of Nanjing Huadong Electronic Information & Technology Co., Ltd, which is listed on Shenzhen Stock Exchange (Stock code: 000727).

Mr. Xia Dechuan, born in 1970, is a senior engineer at researcher level, graduated from Xidian University with a bachelor's degree in Electronic Mechanics and holds a master's degree in business administration from the Southeast University. Mr. Xia has served as Deputy Head and Head of the NFC Design Institute under PEGE, a standing Deputy General Manager of Nanjing Panda Information Industry Co, Ltd.. He also served as a Deputy General Manager of the Company from July 2008 to September 2011 and a General Manager of Nanjing Panda Information Industry Co., Ltd. from July 2008 to July 2013. He has been the General Manager of the Company since October 2011, and he was concurrently the Communist Party Committee Secretary of the Company from October 2011 to February 2015. Mr. Xia was appointed as an executive director of the Company in June 2015. He has long been engaged in the management of information technology industries, and has extensive professional knowledge and experience in operation and management with full responsibility for the operation and management of the Company.

Candidates for Non-executive Directors

Mr. Lu Qing, born in 1965, is a senior engineer at researcher level and holds a master's degree. Mr. Lu has served in PEGL as Deputy Head and Head of the Quality Inspection Department of the NFC Production Department, Head of the Quality Inspection Department and the Quality Inspection Department (Second Division) of the Communications Equipment Department, Deputy General Manager, Standing Deputy General Manager and General Manager of the Military Communications Department, and Assistant General Manager of PEGL etc. He has been the General Manager of Nanjing Panda Handa Technology Co., Ltd. from August 2004 to May 2016. He has been the Deputy General Manager of PEGL since January 2009 and the Deputy General Manager of NEIC since March 2016. Mr. Lu Qing has engaged in the development and management of communication technology for a long period and has extensive knowledge of electronics profession and experience in operation management.

Mr. Deng Weiming, born in 1964, graduated from Huazhong College of Technology (Now known as Huazhong University of Science and Technology) with a bachelor's degree in information engineering and graduated from Nanjing University of Aeronautics and Astronautics with a master's degree in Management Science and Engineering. He is a senior engineer. Mr. Deng has served in PEGL as Office Head, Deputy Head, Head and deputy chief engineer of the First Design Institute, General Manager of Communications Department and Deputy General Manager of PEGL. He has been a Deputy General Manager of PEGL since July 1999 until now, the General Manager of Nanjing CEC-Panda Home Appliances Co., Ltd. since June 2009 and General Manager of Nanjing Panda Electronics Import and Export Co., Ltd. since January 2011. Mr. Deng Weiming has engaged in the work of electronics technology development and management for a long period and has extensive knowledge of electronics technology and experience in operation management.

The spouse of Mr. Deng Weiming is the sister of the spouse of Mr. Guo Qing, a Deputy General Manager of the Company.

Mr. Gao Gan, born in 1967, graduated from History Department of Peking University with a Bachelor's degree in Chinese history, and holds a master's degree in business administration of the School of Economics and Management of Tsinghua University. Mr. Gao served as the General Manager of the Shenyang Office of China Huarong Assets Management Co., Ltd. from June 2006 to October 2008 and as the director of the System Reform Office of China Huarong Assets Management Co., Ltd. from October 2008 to February 2009. He also served as the General Manager of Huarong Real Estate Co., Ltd. from February 2009 to June 2012. He has been the General Manager of the Equity Business Department of China Huarong Assets Management Co., Ltd. since June 2012, and chairman of Huarong Ruitong Equity Investment Management Co., Ltd. (華融瑞通股權投資管理有限公司) since January 2017. Mr. Gao was appointed as a non-executive director of the Company in June 2016.

Candidates for Independent Non-executive Directors

Ms. Du Jie, born in 1955, holds a doctoral degree and a certified accountant qualification. She served as the chief accountant of the First Division of No. 1 Engineering Bureau of Ministry of Electric Power (電力部第一工程局一處) and was a teacher of Jilin School of Commerce (吉林商業專科學校). She is currently a professor and a doctoral tutor of the School of Economics of Jilin University. As Ms. Du Jie has long been engaged in the research and education of financial management and finance, she has gained a relatively high level of expertise and extensive experience in the field.

Ms. Du Jie also currently serves as independent director of Changchun Gas Co., Ltd. (長春燃氣股份有限公司) (a company listed on Shanghai Stock Exchange with the stock code of 600333) and Northeast Securities Company Limited (a company listed on Shenzhen Stock Exchange with the stock code of 000686).

Mr. Zhang Chun, born in 1979, is a bachelor's degree holder. He served as a law teacher of Jinling Institute of Technology from June 2000 to April 2004, and works for Jiangsu Liu Hong Law Firm as a full-time lawyer from May 2004 to August 2017. He works for Jiangsu Jieren Law Firm since September 2017. Mr. Zhang Chun has worked for several enterprises and public institutions as a legal adviser for years and has extensive practical experience in legal practice related to corporate operation and management.

Mr. Gao Yajun, born in 1975, is a senior accountant in Hong Kong, Certified Public Accountant in China and Australia, and member of the Chartered Institute of Management Accountants. He graduated from Deakin University in Australia and obtained a master's degree in accountancy in 2002 and has been an executive director and partner in Baker Tilly Hong Kong since February 2010. Mr. Gao has engaged in auditing and consulting work for a long time and has extensive experience in financial management.

Save as disclosed above, each of the candidates of directors confirms that (i) he/she did not hold any other directorships in any other listed public companies in the last three years; (ii) he/she has no relationship with any directors, supervisors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) he/she has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong).

Save as disclosed above, the Company considers that there is no information which is discloseable nor is/was any of the above persons involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules, and there is no other matters relating to the nominations of the above persons that need to be brought to the attention of the shareholders of the Company.

RE-ELECTION OF THE SUPERVISORY COMMITTEE

As nominated by PEGL, the proposed nomination of Mr. Tu Changbai as a candidate for the non-employee representative supervisor of the 9th session of the Supervisory Committee of the Company was considered and approved at the 16th meeting of the 8th session of the Supervisory Committee of the Company. The term of office will be three years, with effect from consideration and approval of such resolution at the general meeting of the Company. It is recommended that the remunerations of members of the 9th session of the Supervisory Committee be determined within the limit of RMB6.8 million, being the total sum of annual remuneration of directors, supervisors and senior management. The resolution is subject to consideration at the general meeting of the Company.

Pursuant to the relevant requirements under the Articles of Association of the Company, the 9th session of the Supervisory Committee of the Company is comprised of three supervisors, including one non-employee representative supervisor and two employee representative supervisors.

Mr. Song Yunfeng and Mr. Zhou Yuxin are the two employee representative supervisors of the 9th session of the Supervisory Committee of the Company, who were elected at the employee representative meeting of the Company, with a term of office for three years, which is the same as that of the 9th session of the Supervisory Committee of the Company.

Pursuant to the disclosure requirements under the Listing Rules, the biographical details of the candidates for the non-employee representative supervisor and each of the employee representative supervisors are as follows:

Candidate for Non-employee Representative Supervisor

Mr. Tu Changbai, born in 1968, is a senior accountant and holds a bachelor's degree from Hangzhou Institute of Electronic Engineering (杭州電子工業學院) (currently known as Hangzhou Dianzi University) of Industrial Finance and Accounting Department and a master's degree from China Renmin University of Business Administration Department. Mr. Tu has successively served as the Deputy Director-General of the 2nd Office of Financial and Property Rights Management Department, Director-General of 2nd Office of Financial Department and Director-General of Capital Office of Asset Management Department in China Electronics Corporation, the Director-General of Financial Auditing Department in Nanjing Electronics Information Industrial Corporation and the Accountant-General in Nanjing Sanle Electronics Information Industry Group Co., Ltd., etc. Mr. Tu served as the Assistant General Manager and Director-General of Financial Auditing Department in NEIIC from February 2009 to May 2011, and the Account-General in NEIIC since May 2011. Mr. Tu was appointed as the non-employee representative supervisor and chairman of the Supervisory Committee of the Company in June 2016. Mr. Tu has

engaged in the work of corporate financial management and auditing for a long period and has extensive knowledge of finance and auditing and experience in operation and management.

Currently, Mr. Tu Changbai also serves as Chairman of the Supervisory Committee of Nanjing Huadong Electronic Information & Technology Co., Ltd, which is listed on Shenzhen Stock Exchange (Stock code: 000727).

Employee Representative Supervisors

Mr. Song Yunfeng, born in 1964, is a senior political work specialist with a bachelor's degree. He has successively served as the Vice Chairman of the Labour Union, Deputy Head of Human Resources Department and Head of Personnel Division, and Office Director, an assistant to the General Manager and head of the Administrative and Legal Department of PEGGL, Deputy Head of the Party-Mass Work Department (a temporary post) of China Electronics Corporation, etc.. He has served as Deputy Secretary of the Party Committee and Secretary of the Discipline Inspection Committee of the Company from November 2010 to March 2015 and as Secretary of the Party Committee of the Company since March 2015 and Secretary of the Discipline Inspection Committee of the Company from November 2010 to November 2016. He was elected as an employee supervisor of the Company since June 2016. Mr. Song Yunfeng has long been engaged in enterprise management and Party affairs and has extensive experience in operation and management and Party affairs.

Mr. Zhou Yuxin, born in 1964, is a senior political work specialist and holds a bachelor degree. Mr. Zhou has served as Deputy Manager, Manager and Office Head of the labour union of Nanjing Zhenhua Audio Equipment Factory. He is now the Vice Chairman of the labour union and a supervisor of Nanjing Panda Electronics Company Limited. Mr. Zhou has engaged in the work of corporate management for a long period, has extensive knowledge of and experience in corporate management and is now mainly in charge of matters with respect to the labor union of the Company.

Save as disclosed above, each of the candidates for the non-employee representative supervisor and the employee representative supervisors confirms that (i) he did not hold any other directorships in any other listed public companies in the last three years; (ii) he has no relationship with any directors, supervisors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) he has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong).

Save as disclosed above, the Company considers that there is no information which is discloseable nor is/was any of the above persons involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules, and there is no other matter relating to the nomination of the above persons that needs to be brought to the attention of the shareholders of the Company.

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

Nanjing, the People's Republic of China

24 May 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.