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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)

DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

The Board is pleased to announce that on 10 October 2018, the Company, used its own temporarily idle fund of RMB100 million (approximately HK$113.2 million) to subscribe for the Wealth Management Product issued by Industrial Bank in accordance with the First Wealth Management Agreement; on 10 October 2018, the Company, used its own temporarily idle fund of RMB100 million (approximately HK$113.2 million) to subscribe for the Wealth Management Product issued by SPD Bank in accordance with the Second Wealth Management Agreement and on 11 October 2018, Nanjing Panda Information Industry Co., Ltd., a subsidiary of the Company, used its own temporarily idle fund of RMB40 million (approximately HK$45.28 million) to subscribe for the Wealth Management Product issued by SPD Bank in accordance with the Third 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.

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

The Third Investment does not constitute a discloseable transaction of the Company under the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, the Second Investment will be aggregated with the Third Investment, and the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are lower than 25%. Therefore, the Third 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.

The Board is pleased to announce that on 10 October 2018, the Company, used its own temporarily idle fund of RMB100 million (approximately HK$113.2 million) to subscribe for the Wealth Management Product issued by Industrial Bank in accordance with the First Wealth Management Agreement; on 10 October 2018, the Company, used its own temporarily idle fund of RMB100 million (approximately HK$113.2 million) to subscribe for the Wealth Management Product issued by SPD Bank in accordance with the Second Wealth Management Agreement and on 11 October 2018, Nanjing Panda Information Industry Co., Ltd., a subsidiary of the Company, used its own temporarily idle fund of RMB40 million (approximately HK$45.28 million) to subscribe for the Wealth Management Product issued by SPD Bank in accordance with the Third Wealth Management Agreement.

THE FIRST INVESTMENT

On 10 October 2018, the Company, used its own temporarily idle fund of RMB100 million (approximately HK$113.2 million) to subscribe for the Wealth Management Product issued by Industrial Bank in accordance with the First Wealth Management Agreement. The terms of the First Wealth Management Agreement are summarised as follows:

(1)	Date:	Date of Wealth Management Agreement: 10 October 2018 Date of Investment: 10 October 2018
(2)	Parties:	(i) Industrial Bank (ii) the Company Industrial Bank is a licensed bank incorporated under the laws of the PRC. To the best knowledge, information and belief of the Directors, Industrial Bank and its ultimate beneficial owners are Independent Third Parties. The principal businesses of Industrial 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.
(3)	Name of the wealth management plan:	Corporate Financing Structured Deposits Product of Industrial Bank
(4)	Nature of the product:	Principal-guaranteed with floating yield

(5)	Subscription amount:	RMB100 million (approximately HK$113.2 million)
(6)	Term of investment:	From 10 October 2018 to 10 January 2019
(7)	Investment duration:	92 days
(8)	Right of early termination:	The customers do not have the right of early termination
(9)	Expected annual return rate:	Expected annual return rate of 2.36% of for fixed yield; Expected annual return rate ranging from 1.78% to 1.82% for floating yield The floating yield is based on the fluctuations of the benchmark price of Shanghai Gold in the morning on the Shanghai Gold Exchange.

THE SECOND INVESTMENT

On 10 October 2018, the Company, used its own temporarily idle fund of RMB100 million (approximately HK$113.2 million) to subscribe for the Wealth Management Product issued by SPD Bank in accordance with the Second Wealth Management Agreement. The terms of the Second Wealth Management Agreement are summarised as follows:

(1)	Date:	Date of Wealth Management Agreement: 10 October 2018 Date of Investment: 10 October 2018
(2)	Parties:	(i) SPD Bank (ii) the Company 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.

(3)	Name of the wealth management plan:	Yield-Plus Corporate Structured RMB Deposits No. 18 JG1954 of SPD Bank
(4)	Nature of the product:	Profit guaranteed
(5)	Subscription amount:	RMB100 million (approximately HK$113.2 million)
(6)	Term of investment:	From 10 October 2018 to 28 December 2018
(7)	Investment duration:	78 days
(8)	Right of early termination:	The customers do not have the right of early termination
(9)	Expected annual return rate:	4.1%

THE THIRD INVESTMENT

On 11 October 2018, Nanjing Panda Information Industry Co., Ltd., a subsidiary of the Company, used its own temporarily idle fund of RMB40 million (approximately HK$45.28 million) to subscribe for the Wealth Management Product issued by SPD Bank in accordance with the Third Wealth Management Agreement. The terms of the Third Wealth Management Agreement are summarised as follows:

(1)	Date:	Date of Wealth Management Agreement: 11 October 2018 Date of Investment: 11 October 2018
(2)	Parties:	(i) SPD Bank (ii) Nanjing Panda Information Industry Co., Ltd., a subsidiary of the Company
(3)	Name of the wealth management plan:	Yield-Plus Corporate Structured RMB Deposits No. 18JG1973 of SPD Bank
(4)	Nature of the product:	Profit guaranteed

(5)	Subscription amount:	RMB40,000,000 (approximately HK$45,280,000)
(6)	Term of investment:	11 October 2018 to 28 December 2018
(7)	Investment duration:	77 days
(8)	Right of early termination:	The customers do not have the right of early termination
(9)	Expected annual return rate:	4.1%

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 the 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 utilization 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 the subscriptions 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 research and development, manufacturing and sale of electronic equipment and consumer electronic products as well as electronic manufacturing services.

IMPLICATIONS 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.

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

The Third Investment does not constitute a discloseable transaction of the Company under the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, the Second Investment will be aggregated with the Third Investment, and the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are lower than 25%. Therefore, the Third 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
"Company"	Nanjing Panda Electronics Company Limited, a joint stock company incorporated in the PRC with limited liability
"Director(s)"	the directors of the Company
"First Investment"	the Company subscribes for the Wealth Management Product at a subscription amount of RMB100 million (approximately HK$113.2 million) in accordance with the First Wealth Management Agreement
"First Wealth Management Agreement"	the wealth management agreement entered into between the Company and Industrial Bank on 10 October 2018 in relation to the First Investment, the principal terms of which are summarized in this announcement
"Group"	the Company and its subsidiaries from time to time

"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"	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 the Wealth Management Product at a subscription amount of RMB100 million (approximately HK$113.2 million) in accordance with the Second Wealth Management Agreement
"Second Wealth Management Agreement"	the wealth management agreement entered into between the Company and SPD Bank on 10 October 2018 in relation to the Second Investment, the principal terms of which are summarized in this announcement
"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
"Third Investment"	Nanjing Panda Information Industry Co., Ltd., a subsidiary of the Company subscribes for the Wealth Management Product at a subscription amount of RMB40 million (approximately HK$45.28 million) in accordance with the Third Wealth Management Agreement

"Third Wealth Management Agreement"	the wealth management agreement entered into between Nanjing Panda Information Industry Co., Ltd., a subsidiary of the Company and SPD Bank on 11 October 2018 in relation to the Third Investment, 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 First Wealth Management Agreement and the Second Wealth Management Agreement and by Nanjing Panda Information Industry Co., Ltd., a subsidiary of Company in accordance with the Third 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$1.132. 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
11 October 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. Zhang Chun and Mr. Gao Yajun.