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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)

CLARIFICATION ANNOUNCEMENT

This announcement is made by Nanjing Panda Electronics Company Limited (the “**Company**”) at the request of The Stock Exchange of Hong Kong Limited.

On 12 November 2020 (Eastern standard time), the President of the United States of America issued an executive order (the “**Executive Order**”) to prohibit any transaction by any United States person in publicly traded securities, or any securities that are derivative of, or are designed to provide investment exposure to such securities, of certain Chinese companies and on 28 December 2020 the U.S. Department of Treasury published an additional list of Chinese companies related to the Executive Order, which include the Company. The prohibition will become effective beginning 9:30 a.m. (Eastern standard time) on 11 January 2021, and is subject to certain divestiture and other exemptions. The definition of “United States person” is set out in Section 4 of the Executive Order.

As of 29 December 2020, the number of total issued shares of the Company was 913,838,529. The number of tradable A shares of the Company was 671,838,529, accounting for approximately 73.52% of the total issued shares of the Company; and the number of tradable H shares of the Company was 242,000,000, accounting for approximately 26.48% of the total issued shares of the Company. Among the tradable H shares, 241,655,470 H shares were held directly through the Central Clearing and Settlement System in the name of HKSCC Nominees Limited, accounting for approximately 99.86% of the total issued H shares of the Company. As such, the Company is currently unable to verify the shareholding of H shares of the Company by the United States person(s).

The Company is in normal production and operation. The Company is conducting a thorough assessment on the potential impacts of the Executive Order on the Company based on the information currently available to it. Further announcement(s) will be made by the Company in due course if necessary.

The full text of the Executive Order can be read at <https://www.whitehouse.gov/presidential-actions/>.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Nanjing Panda Electronics Company Limited
Zhou Guixiang
Chairman

Nanjing, the PRC
29 December 2020

As at the date of this announcement, the Board comprises Executive Directors: Mr. Zhou Guixiang, Mr. Lu Qing and Mr. Xia Dechuan; Non-executive Directors: Mr. Shen Jianlong, Mr. Deng Weiming and Mr. Li Changjiang; and Independent Non-executive Directors: Ms. Du Jie, Mr. Zhang Chun and Mr. Gao Yajun.