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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)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement of Nanjing Panda Electronics Company Limited (the “**Company**”) dated 10 June 2021 in relation to the re-election of the board of directors and the supervisory committee of the Company (the “**Announcement**”). Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Announcement.

The Board would like to supplement the following additional information to the Announcement.

The Company will enter into service contracts with, if re-elected/appointed, the candidates for directors of the tenth session of the Board and the candidates for supervisors of the tenth session of the Supervisory Committee. The term of office of the directors and supervisors will be three years, with effect from consideration and passing of relevant resolutions at the general meeting of the Company.

Other than the independent non-executive directors of the Company, the executive directors, non-executive directors and supervisors of the Company do not receive remuneration from the Company for their position as directors and supervisors.

The directors and supervisors of the Company receive remuneration according to the relevant administrative measures for remuneration of the Company based on their specific managerial position (including senior executives, principals of the Party Committee and other managerial position) in the Company. Details of the remuneration of the directors and supervisors will be disclosed in the annual report of the Company.

The candidates for executive directors of the tenth session of the Board, being Mr. Zhou Guixiang (周貴祥), Mr. Li Renxhi (李韜之) and Mr. Xia Dechuan (夏德傳), will not receive remuneration for their capacities as executive directors but Mr. Xia Dechuan shall receive remuneration for his capacity as general manager of the Company. His annual remuneration mainly consists of basic salary, post salary and performance salary. The basic salary and post salary are approximately RMB300,000/year (before tax); and the performance salary is calculated by taking into full account the achievement of total profit, operating income, related asset turnover ratio and other operating indicators, the completion of key tasks and compliance operations of the Company for each year, and is calculated according to different Weight Factors (i.e. the proportion based on the degree of importance of the achievement of operating indicators, the completion of key tasks and compliance operations, the same as below). In addition, his remuneration will also be determined with reference to changes in market conditions. The details of the directors' remuneration will be disclosed in the annual report of the Company.

The candidates for non-executive directors of the tenth session of the Board, being Mr. Shen Jianlong (沈見龍), Mr. Deng Weiming (鄧偉明) and Mr. Li Changjiang (李長江), will not receive remuneration for their capacities as non-executive directors but Mr. Li Changjiang shall receive remuneration for his capacities as secretary of the Party Committee of the Company, executive director and general manager of Nanjing Panda Electronic Technology Development Company Limited, a subsidiary of the Company. His annual remuneration mainly consists of basic salary, post salary and performance salary. The basic salary and post salary are approximately RMB280,000/year (before tax); and the performance salary is calculated by taking into full account the achievement of main operating indicators, the completion of key tasks and compliance operations of the Company for each year, and is calculated according to different Weight Factors. In addition, his remuneration will also be determined with reference to changes in market conditions. The details of the directors' remuneration will be disclosed in the annual report of the Company.

The candidates for the independent non-executive directors of the tenth session of the Board, being Mr. Dai Keqin (戴克勤), Ms. Xiong Yanren (熊焰韜) and Mr. Chu Wai Tsun, Vincent (朱維馴) will each receive an annual remuneration for their capacities as independent non-executive Directors. Their annual remunerations will be determined with reference to the remuneration standard of RMB104,400 (before tax) for independent non-executive directors of the Company in the year 2020. The details of the directors' remuneration will be disclosed in the annual report of the Company.

The candidates for the non-employee representative supervisors of the tenth session of the Supervisory Committee being Mr. Zhao Ji (趙冀) and Ms. Fu Yuanyuan (傅園園) will not receive remuneration for their capacities as supervisors. Mr. Zhou Yuxin (周玉新) being the employee representative supervisor will not receive remuneration for his capacity as a supervisor but he shall receive remuneration for his capacity as deputy chairman of the labour union of the Company. His annual remuneration mainly consists of basic salary, post salary and performance salary. The basic salary and post salary are approximately RMB180,000/year (before tax); and the performance salary is calculated by taking into full account the achievement of main operating indicators and the completion of key tasks of the Company for each year, and is calculated according to different Weight Factors. In addition, his remuneration will also be determined with reference to changes in market conditions.

The decision making process of remuneration of directors, supervisors and senior management of the Company is summarized as follows: according to relevant requirements of the Articles of Association and the Rules of Procedure of the Remuneration and Appraisal Committee, and based on the operating results, scope of work, main duties and other information, the Remuneration and Appraisal Committee shall appraise the actual performance of the directors and senior management of the Company, determine the annual remuneration of the relevant personnel on this basis and submit the appraisal result to the Board for consideration. The remuneration of directors and supervisors shall be determined by general meetings while that of senior management by the Board.

Save as disclosed above, all other information set out in the Announcement remains unchanged.

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

Nanjing, the People's Republic of China

17 June 2021

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.