
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Nanjing Panda Electronics Company Limited**, you should at once hand this circular and the accompanying supplemental form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**(1) PROPOSED CHANGE OF ACCOUNTING FIRM;
(2) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR;
AND
(3) NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING**

Capitalized terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 1 to 5 of this circular. A notice of the 2023 first EGM to be held on Friday, 15 December 2023 at 2:30 p.m. at the Company's Conference Room, 7 Jingtian Road, Nanjing, the People's Republic of China is set out on page EGM-1 to EGM-2. Whether or not you are able to attend and vote at the EGM, please complete and return the accompanying proxy form in accordance with the instructions printed thereon to the Company's H Share Registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or the office of the Company as soon as possible and in any event not less than 24 hours before the time of the EGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM should you so wish.

24 November 2023

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context otherwise requires:

“A Share(s)”	the domestic ordinary share(s) of the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi, and which are listed on the Shanghai Stock Exchange
“A Shareholders”	holders of the A Shares of the Company
“Board” or “Board of Directors”	the board of Directors
“Company”	Nanjing Panda Electronics Company Limited (南京熊猫电子股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange and A shares are listed on the Shanghai Stock Exchange
“Directors”	the directors of the Company
“EGM”	the 2023 first extraordinary general meeting of the Company to be held on Friday, 15 December 2023
“H Share(s)”	the ordinary share(s) of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	21 November 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, Macau and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD

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)

Executive Directors

Mr. Xia Dechuan (*Chairman*)

Mr. Hu Huichun

Registered Address:

7 Jingtian Road

Nanjing, the PRC

Non-executive Directors

Mr. Liu Jianfeng

Mr. Deng Weiming

Mr. Yi Guofu

Office Address:

7 Jingtian Road

Nanjing, the PRC

Postal Code: 210033

Independent Non-executive Directors

Mr. Dai Keqin

Ms. Xiong Yanren

Mr. Chu Wai Tsun, Baggio

24 November 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED CHANGE OF ACCOUNTING FIRM;
(2) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR;
AND
(3) NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

References are made to the announcement of the Company dated 18 October 2023 in relation to the change of accounting firm, and the announcement dated 20 November 2023 in relation to the appointment of non-executive Director. The purpose of this circular is to provide the Shareholders with more information.

LETTER FROM THE BOARD

II. PROPOSED CHANGE OF ACCOUNTING FIRM

The Board of Directors of the Company announces that BDO China Shu Lun Pan Certified Public Accountants LLP (“**Shu Lun Pan LLP**”) has been providing audit work for the Company for seven consecutive years. Pursuant to the relevant term provisions of the “Notice on Issuing the Measures for Administration of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies (《關於印發〈國有企業、上市公司選聘會計師事務所管理辦法〉的通知》)” issued by the Ministry of Finance of the People’s Republic of China, the State-owned Assets Supervision and Administration Commission of the State Council, and the China Securities Regulatory Commission, and in order to maintain the independence of the audit work, the Company proposes to change its annual audit accounting firm. The Company has fully communicated with Shu Lun Pan LLP regarding the change of accounting firm and Shu Lun Pan LLP has no objection to the proposed change of accounting firm of the Company.

During its tenure as the Company’s auditor, Shu Lun Pan LLP has adhered to the principle of independent auditing and has effectively performed its due duties as an auditor. Based on the arrangements of the audit work of the Company and taking into account the needs of the development of the Company, the Company intends to appoint WUYIGE Certified Public Accountants LLP (“**WUYIGE**”) as the Company’s auditor for the year 2023.

There does not exist any circumstances where the Company terminated the services of Shu Lun Pan LLP after having engaged it to carry out part of the audit. The Company has fully communicated with Shu Lun Pan LLP and WUYIGE in relation to the change of accounting firm and both parties have clearly understood the matter and have no objection to the change. There is no disagreement or unresolved matter between the Company and Shu Lun Pan LLP.

Shu Lun Pan LLP has confirmed that there is no matter in relation to the change of accounting firm that needs to be brought to the attention of the shareholders of the Company. The Board is also not aware of any matters in relation to the change of accounting firm that need to be brought to the attention of the shareholders of the Company.

The Board is pleased to announce that based on the nomination by the audit committee of the Company and the consideration of the Board, the Board proposes to appoint WUYIGE as the international auditor, domestic auditor and internal control auditor of the Company for the year 2023, and determines their remuneration within the limit of RMB2,480,000.

LETTER FROM THE BOARD

The audit committee has considered section 2 of the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors and is satisfied that WUYIGE is independent, competent and capable to perform high quality audit. The audit committee has considered factors such as WUYIGE’s experience, sufficient time to be committed to the relevant audit work, manpower, expertise and resources available. In particular, the audit committee notes that WUYIGE has 32 branches nationwide. It is one of the earliest local accounting firms established in Mainland China with over 30 years of expertise. WUYIGE is also one of the large Mainland accounting firms that has been approved to engage in H-share company auditing services. As at December 2022, there are at least 4,000 employees at WUYIGE, more than 900 are certified public accountants. WUYIGE provides audit services for 20 listed companies. In addition, the partner and accountant responsible for providing audit work for the Company have not received any criminal, administrative penalties or regulatory measures in the last three years. Most importantly, they are independent and did not violate independence requirements under the Chinese Accounting Professional Conduct Guidelines. They also do not hold any Company’s shares. Taking into account the above-mentioned factors, the audit committee is satisfied that WUYIGE is independent, competent and capable to perform high quality audit.

The change of the accounting firm will come into effect upon the date of approval by the shareholders of the Company at the general meeting. Before the appointment of a new auditor being considered and approved by the shareholders of the Company at the general meeting, Shu Lun Pan LLP remains as the Company’s auditor. The appointment of WUYIGE will commence on the date of approval of its appointment by the shareholders of the Company at the general meeting and will end at the conclusion of the 2023 annual general meeting of the Company.

III. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Company announces that as nominated by Nanjing Electronics Information Industrial Corporation, a shareholder of the Company, and reviewed and approved by the nomination committee of the Board, Mr. Lv Song has been appointed by the Board as a candidate for non-executive director of the tenth session of the Board of the Company, with effect from the date of passing the relevant resolution at the general meeting of the Company.

At the twenty-second meeting of the tenth session of the Board of the Company convened on 20 November 2023, the nomination of Mr. Lv Song as a candidate for non-executive director of the tenth session of the Board of the Company, for a term of office until the expiry of that of the tenth session of the Board of the Company was considered and approved, and the submission of the same to the general meeting of the Company for consideration was approved.

LETTER FROM THE BOARD

Mr. Lv Song, born in 1985, holds a Bachelor's degree in law obtained from Nanjing University of Finance & Economics, and possesses qualification in legal profession and a company lawyer certificate. He once served successively as a legal affairs officer of the legal affairs department in Panda Electronics Group Limited, a legal affairs officer in the office of Panda Electronics Group Limited, a legal affairs officer of the administration and legal affairs department, an executive secretary and a deputy director of the legal affairs office in Nanjing Electronics Information Industrial Corporation. From March 2017 to January 2019, he served as the deputy director (presiding) of the administration and legal affairs department and the director of the confidentiality office in Nanjing Panda Electronics Company Limited, from February 2019 to January 2020, he served as the director of the administration and legal affairs department and the director of the confidentiality office in Nanjing Panda Electronics Company Limited, and from January 2020 to September 2021, he served as the general counsel, the director of the administration and legal affairs department and the director of the confidentiality office in Nanjing Panda Electronics Company Limited. From September 2021 to present, he has been the deputy director (presiding), director of the administration and legal affairs department and the office of the board of directors and supervisory committee, and the deputy director of the legal affairs office of Nanjing Electronics Information Industrial Corporation, and from May 2022 to present, he has been the secretary to the board of directors of Nanjing Electronics Information Industrial Corporation. Mr. Lv Song has been long engaged in corporate administration and legal affairs management and has extensive expertise in legal profession and experiences in management.

Save as disclosed above, Mr. Lv Song did not hold any position in the Company or any of its subsidiaries, did not hold any directorship in any other listed public company during the past three years and has no other major appointments and professional qualifications.

The term of service of Mr. Lv Song will expire at the end of the term of office of the tenth session of the Board of the Company. Mr. Lv Song will not receive remuneration for his position as a non-executive director of the Company.

Save as disclosed above, Mr. Lv Song does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lv Song does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Lv Song which needs to be brought to the attention of the shareholders of the Company and there is no other information that needs to be disclosed pursuant to the requirement of Rules 13.51(2)(h) to (v) of the Listing Rules.

LETTER FROM THE BOARD

IV. 2023 FIRST EGM

The 2023 first EGM of the Company will be held on Friday, 15 December 2023 at 2:30 p.m. at the Company's Conference Room, 7 Jingtian Road, Nanjing, the People's Republic of China.

A notice setting out the resolutions to be resolved at the EGM is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you are able to be present at the EGM, please complete and return the accompanying proxy form in accordance with the instructions printed thereon to the Company's H Share Registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of holders of H shares) or the office of the Company (in case of holders of A shares) as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM should you so wish.

V. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the EGM must be taken by way of poll.

VI. RECOMMENDATION

The Directors consider that the aforesaid resolutions are in the interests of the Company and the Shareholders as a whole, and accordingly, recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

By order of the Board
Nanjing Panda Electronics Company Limited
Xia Dechuan
Chairman

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

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)

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 first extraordinary general meeting (the “EGM”) of Nanjing Panda Electronics Company Limited (the “**Company**”) will be held at the Conference Room, 7 Jingtian Road, Nanjing, the People’s Republic of China (the “**PRC**”) on Friday, 15 December 2023 at 2:30 p.m. to consider and, if thought fit, pass the following resolutions. Please refer to the circular of the Company dated 24 November 2023 for details of the resolutions. Unless the context otherwise requires, capitalized terms used in this notice shall have the same meanings as those defined in the circular.

ORDINARY RESOLUTIONS

1. To consider and approve the resolution in relation to: the removal of BDO China Shu Lun Pan Certified Public Accountants LLP (“**Shu Lun Pan LLP**”) as the current international auditor and domestic auditor as well as internal control auditor of the Company; and the appointment of WUYIGE Certified Public Accountants LLP as the international auditor, domestic auditor and internal control auditor of the Company for the year 2023 in lieu of Shu Lun Pan LLP to hold office until the conclusion of the next annual general meeting of the Company, with its total remuneration being not more than RMB2.48 million.
2. To elect Director of the tenth session of the Board of the Company.
 - 2.1 “To consider and elect Mr. Lv Song as a non-executive Director of the tenth session of the Board of the Company, with a term of office until the expiry of the term of the tenth session of the Board of the Company, which shall take effect upon the resolution being considered and approved at the general meeting of the Company.”

By Order of the Board
Nanjing Panda Electronics Company Limited
Xia Dechuan
Chairman

Nanjing, the People’s Republic of China
24 November 2023

As at the date of this notice, the Board comprises Executive Directors: Mr. Xia Dechuan and Mr. Hu Huichun; Non-executive Directors: Mr. Liu Jianfeng, Mr. Deng Weiming and Mr. Yi Guofu; and Independent Non-executive Directors: Mr. Dai Keqin, Ms. Xiong Yanren and Mr. Chu Wai Tsun, Baggio.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

Notes:

1. All holders of H shares of the Company should pay attention that the register of members of the Company will be closed from 12 December 2023 to 15 December 2023, both days inclusive, during which period no transfer of H shares can be registered so as to ascertain the holders of H shares' entitlement to attend and vote at the EGM. Holders of H shares who intend to attend the EGM must deposit the share certificates together with the transfer documents at the H-Share registrar of the Company, Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, on or before 4:30 p.m. on 11 December 2023.
2. Shareholders who are entitled to attend the EGM or their representatives or proxies are entitled to attend the EGM with their identity certificates or passports. If a shareholder appoints a proxy to attend the EGM on his behalf, his proxy must bring along the proxy form.
3. A shareholder who has the right to attend and vote at the EGM is entitled to appoint one proxy or several proxies, whether a member of the Company or not, to attend and vote at the EGM.
4. If more than one proxy is appointed by a shareholder, the proxies can exercise their voting rights only in the case of a poll.
5. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorized in writing. In the case of a corporation, the proxy form must be under its common seal or under the hand of its director or duly authorized attorney. If the proxy form is signed by an agent on behalf of an appointer, the proxy form or other authority must be notarized.
6. The proxy form together with the notarized power of attorney or other authority must be delivered to the office of the Company (in respect of A shares) or to the H-Share registrar of the Company, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in respect of H shares) 24 hours before the time appointed for the holding of the EGM.
7. The Company's office and correspondence address:
7 Jingtian Road, Nanjing
The People's Republic of China
Postal code: 210033
Telephone: (8625) 8480 1144
Fax: (8625) 8482 0729