

Company Profile

Nanjing Panda Electronics Company Limited (the "Company") is a large integrated telecommunications company which is engaged in scientific research and development, production, sale and technological services. In April, 1992, the Company was established after the reorganisation of the original Panda Electronics Group Company. The history of the Company can be traced back to 1936 and is the earliest electronic enterprise in the PRC. Shares of the Company were listed on The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange on 2nd May, 1996 and 18th November, 1996 respectively.

The Company is mainly engaged in the development, production and sale of mobile telecommunications system, satellite communication system, IT and electromechanical products. Its registered trademark is "PANDA" which is the first "noble trademark in the PRC" in the electronic information industry in the whole country.

The Company was under material assets reorganisation in 1999 and 2000. Its original core colour TV business was disposed to Panda Electronics Group Limited ("PEGL"). The Company has focused on the development of communication and information industry and made strategic adjustment of product and industry mixes. The Company has changed its business from consumer electronics to communication and information industry and from traditional industry to new economy. Accordingly, there has been material changes in the Company. Operations and financial position of the Company improved rapidly and the Company has entered a new stage for development.

The Company has been strengthening international co-operation and the strategy of making alliance with cross-country companies. It has established a strategic co-operative relationship with cross-country companies including Ericsson and Sharp. Nanjing Ericsson Panda Communication Co., Ltd. (ENC), which is mainly engaged in mobile telecommunications primary stations and interchangeable machines, and Nanjing Ericsson Panda Mobile Terminals Co., Ltd. (EPC), which is mainly engaged in mobile phones, have been developed rapidly in recent years and have become one of the important global supply centres of Ericsson. They are new growth points for the development of the Company and important profit source. They have bright prospects. Nanjing Sharp Electronic Co., Ltd. which is mainly engaged in LCD system and digital AV products also has great potential for development and bright prospects.

The Company's next development target is to establish the largest base for the development and production of mobile telecommunications and satellite communication in the PRC. Besides, it aims at becoming a major company in IT and electromechanical industries and an integrated international giant.