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南京三寶科技股份有限公司

NANJING SAMPLE TECHNOLOGY COMPANY LIMITED*

(a joint stock limited company established in the People's Republic of China with limited liability)

(Stock Code: 1708)

**DISCLOSEABLE TRANSACTION
ENTRUSTED LOAN AGREEMENT**

The Board hereby announces that on 28 October 2015, the Lender, the Borrower and the Lending Agent entered into the Entrusted Loan Agreement, pursuant to which the Lender has agreed to provide the Entrusted Loan in the principal amount of RMB100 million to the Borrower through the Lending Agent. In addition, on 28 October 2015, Kunshan Zhongxu (being the parent company of Jiangsu Zhengyang) and the Company have entered into the Deed of Guarantee, pursuant to which Kunshan Zhongxu will provide a joint liability guarantee in favour of the Company of the total guaranteed amount of RMB110 million, representing the total amount of principal and interest, for the enforcement of the Entrusted Loan Agreement.

Reference was also made to the Company's announcement dated 2 March 2015. An entrusted loan agreement dated 2 March 2015 was entered into between Jiangsu Intellitrans Company Limited* (江蘇智運科技發展有限公司), the Company's wholly owned subsidiary, as the lender, the Borrower and the Lending Agent to provide an entrusted loan in the principal amount of RMB200 million (the "Previous Entrusted Loan") at the interest rate of 10.8% per annum to the Borrower through the Lending Agent for a term of 8 months. This entrusted loan will be matured on 2 November 2015.

The Previous Entrusted Loan and the Entrusted Loan by itself and on aggregation basis constitute a discloseable transaction of the Company under Rule 14.06 and Rule 14.22 of the Listing Rules respectively, the relevant applicable percentage ratios of each of the loan amounts of the Previous Entrusted Loan and the Entrusted Loan and when aggregated exceed 5% but are lower than 25%. Therefore, the provision of the Entrusted Loan constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under the Listing Rules.

ENTRUSTED LOAN AGREEMENT

The Board hereby announces that on 28 October 2015, the Lender, the Borrower and the Lending Agent entered into the Entrusted Loan Agreement, pursuant to which the Lender has agreed to provide the Entrusted Loan in the principal amount of RMB100 million to the Borrower through the Lending Agent. The principal terms of the Entrusted Loan Agreement are set out below:

Date:	28 October 2015
Lender:	the Company
Borrower:	Jiangsu Zhengyang Investment Holding Group Co., Ltd.* (江蘇正陽投資控股集團有限公司)
Lending Agent:	Bank of Ningbo, Nanjing Gulou Sub-Branch
Amount of the Entrusted Loan:	RMB100 million
Term:	1 year
Interest rate:	10% per annum, payable on a quarterly basis
Repayment terms:	The Borrower shall repay in full the outstanding principal amount of the Entrusted Loan together with the interest accrued thereon upon expiry of the Entrusted Loan

The Entrusted Loan in the principal amount of RMB100 million will be financed by the internal resources of the Company.

DEED OF GUARANTEE

In connection with the provision of the Entrusted Loan to Jiangsu Zhengyang, on 28 October 2015, Kunshan Zhongxu (being the parent company of Jiangsu Zhengyang) and the Company have entered into the Deed of Guarantee, pursuant to which Kunshan Zhongxu will provide a joint liability guarantee in favour of the Company of the total guaranteed amount of RMB110 million, representing the total amount of principal and interest, for the enforcement of the Entrusted Loan Agreement.

REASONS FOR AND BENEFITS OF THE ENTRUSTED LOAN AGREEMENT

The terms of the Entrusted Loan Agreement, including the interest rate of the Entrusted Loan, were agreed by the Lender and the Borrower after arm's length negotiations and having taken into account prevailing market conditions. In view that the interest rate under the Entrusted Loan is higher than the prevailing benchmark interest rate for fixed deposits in RMB, the directors of the Company consider

that the Entrusted Loan would increase the income of the Company and the interest income will bring a positive cashflow for the Company. Accordingly, the directors of the Company are of the opinion that the terms of the Entrusted Loan Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

GENERAL INFORMATION OF THE PARTIES

The Group's principal businesses are to provide total solutions which are based on the application of visual identification and radio frequency identification technology to the sectors of intelligent transportation, customs logistics, safety and health care.

Jiangsu Zhengyang is a company established in the PRC with limited liability and a wholly owned subsidiary of Kunshan Zhongxu. It is principally engaged in the businesses of industrial investment, asset acquisition, merger and restructuring, asset trust management, investment consultancy, financial advisory, economic information and consultancy.

Kunshan Zhongxu is a company established in the PRC with limited liability and is principally engaged in the businesses of construction, sale, leasing of commercial, residential and industrial buildings on leased land.

The Lending Agent is a banking institution established in the PRC and is principally engaged in banking and related financial services.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Borrower, the Guarantor, the Lending Agent and their respective ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

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DEFINITIONS

Unless the context requires otherwise, capitalized terms used in this announcement shall have the meanings as follow:

“Board”	the board of Directors of the Company
“Borrower” or “Jiangsu Zhengyang”	Jiangsu Zhengyang Investment Holding Group Co., Ltd.* (江蘇正陽投資控股集團有限公司), a company incorporated in the PRC
“Company” or “Lender”	Nanjing Sample Technology Company Limited* (南京三寶科技股份有限公司), a joint stock limited company incorporated in the PRC, whose H Shares are listed on the Stock Exchange (Stock Code: 1708)
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Deed of Guarantee”	the deed of guarantee dated 28 October 2015 entered into between the Lender and the Guarantor for the provision of guarantee by Kunshan Zhongxu in favour of the Company for the Entrusted Loan
“Directors”	the directors of the Company
“Entrusted Loan”	the loan in the principal amount of RMB100 million which the Lender has entrusted the Lending Agent to provide to the Borrower pursuant to the Entrusted Loan Agreement
“Entrusted Loan Agreement”	the entrusted loan agreement dated 28 October 2015 entered into between the Lender, the Borrower and the Lending Agent in relation to the Entrusted Loan
“Group”	the Company and its subsidiaries
“Guarantor” or “Kunshan Zhongxu”	Kunshan Zhongxu Real Estate Development Co., Ltd.* (昆山中旭房地產發展有限公司), a company incorporated in the PRC and owns 100% equity interests of Jiangsu Zhengyang
“Independent Third Party(ies)”	a third party independent of the Company and its Connected Persons
“Lending Agent”	Bank of Ningbo, Nanjing Gulou Sub-Branch, a company incorporated in the PRC and the lending agent of the Entrusted Loan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China but excluding, for the purposes of this announcement, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

Nanjing, the PRC, 28 October 2015

As at the date of this announcement, the executive Directors are Mr. Sha Min (Chairman), Mr. Chang Yong and Mr. Zhu Xiang; the non-executive Director is Mr. Ma Jun and the independent non-executive Directors are Mr. Xu Su Ming, Mr. Geng Nai Fan and Mr. Shum Shing Kei.

** for identification purpose only*