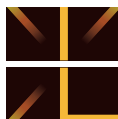


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中電光谷

CEC OPTICS VALLEY

China Electronics Optics Valley Union Holding Company Limited

中電光谷聯合控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 798)

DISCLOSEABLE TRANSACTION

**COOPERATION AGREEMENT
IN RELATION TO
THE FORMATION OF JOINT VENTURE COMPANY
AND
THE ESTABLISHMENT OF FUND**

COOPERATION AGREEMENT

The Board is pleased to announce that on 1 November 2017, the Company entered into a Cooperation Agreement with Tangu Marine.

Pursuant to the Cooperation Agreement, the Company and Tangu Marine agreed to form the JV Company, which will be owned by the Subsidiary (a wholly-owned subsidiary of the Company) and Tianjin Co (a wholly-owned subsidiary of Tangu Marine) as to 60% and 40%, respectively.

Pursuant to the Cooperation Agreement, the Company and Tangu Marine shall also establish the Fund, which will mainly invest in the quality technology enterprises within the business park to be developed by the JV Company.

LISTING RULES IMPLICATIONS

As JV Company will be established pursuant to the Cooperation Agreement and joint venture company will be related to the establishment of the Fund, the Group's capital contribution in the formation of the JV Company and the Group's commitment in the Fund are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio under the Listing Rules in respect of the formation of the JV Company and the Group's investment in the Fund, on an aggregated basis, is more than 5% but less than 25%, the transactions contemplated under the Cooperation Agreement constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the requirement of shareholders' approval.

As the establishment of the Fund is subject to the approval of the relevant PRC governmental authorities, the transactions contemplated under the Cooperation Agreement may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

INTRODUCTION

The Board is pleased to announce that on 1 November 2017, the Company entered into a Cooperation Agreement with Tanggu Marine.

THE COOPERATION AGREEMENT

A summary of the salient terms of the Cooperation Agreement is set out below:

Date: 1 November 2017

Parties: (a) The Company

(b) Tanggu Marine

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Tanggu Marine and its ultimate beneficial owners are Independent Third Parties.

Formation of the JV Company

Pursuant to the Cooperation Agreement, the Company and Tanggu Marine agreed to form the JV Company.

JV Company

The registered capital of the JV Company shall be RMB500 million (equivalent to approximately HK\$588 million). The Subsidiary shall contribute RMB300 million (equivalent to approximately HK\$353 million) and Tianjin Co shall contribute RMB200 million (equivalent to approximately HK\$235 million) into the registered capital of the JV Company and the JV Company shall be owned as to 60% by the Subsidiary and 40% by Tianjin Co.

The amount of the capital contribution to be injected by the parties into the JV Company was determined after arm's length negotiations among the parties with reference to the JV Company's capital requirements for its future business development and shall be paid in cash. The Group's portion of the capital contribution is expected to be funded by the Group's internal funds.

The JV Company will be, held as to 60% by the Group and, accordingly, be accounted for as a subsidiary of the Company.

The Project

The JV Company shall undertake the project of the Internet and healthcare big data business park in Tianjin, PRC (the "**Project**"). The Project will be located in TMHT-Tianjin Binhai Hi-Tech Development Area Tanggu Marine Technology Park* (天津濱海高新區塘沽海洋科技園), being close to the Binhai Station of the High-Speed Railway* (高鐵濱海站) and Jingjintang Expressway* (京津塘高速), with an expected total site area of approximately 1,950 Mu (畝) (equivalent to approximately 1,300,000 sq m) and a total gross floor area of approximately 2,200,000 sq m, which is expected to comprise (i) the core area and healthcare base (醫養基地) with a site area of approximately 890 Mu (畝) (equivalent to approximately 5,933.33 million sq m) and a gross floor area of approximately 1,200,000 sq m; (ii) an intellectual medical machinery business base (智慧醫療器械產業基地) with a site area of approximately 590 Mu (畝) (equivalent to approximately 3,933.33 million sq m) and a gross floor area of approximately 600,000 sq m; and (iii) a bio-medical business base (生物醫藥產業基地) with a site area of approximately 470 Mu (畝) (equivalent to approximately 3,133.33 million sq m) and a gross floor area of approximately 400,000 sq m. The Project is expected to be completed in 2031.

Operation of the JV Company

The board of directors of the JV Company shall consist of five members, of which three shall be nominated by the Subsidiary (and among them one shall be the chairman of the board of directors) and two shall be nominated by Tianjin Co. Further, there shall be three supervisors, of which the Subsidiary, Tianjin Co and the employees of the JV Company shall each nominate one supervisor.

The Subsidiary shall be responsible for, *inter alia*, leading the operation and management of the JV Company and the construction under the Project; and Tianjin Co shall be responsible for, *inter alia*, providing support for the Project including the introduction of preferential policies (優惠政策) and supplements for the relevant public services.

Establishment of the Fund

Pursuant to the Cooperation Agreement, the Company and Tanggu Marine shall establish the Fund, subject to the approval of the relevant PRC governmental authorities.

The total contribution to the Fund shall be RMB500 million (equivalent to approximately HK\$588 million), of which the Group and Tanggu Marine shall each contribute 30%, being RMB150 million (equivalent to approximately HK\$176 million), while the remaining 40%, being RMB200 million (equivalent to approximately HK\$235 million), shall be sourced from social funds. The amount of the said investments to be made by the parties into the Fund was determined after arm's length negotiations among the parties with reference to the size of the anticipated investments to be made by the Fund and shall be paid in cash. The Group's capital commitment in the Fund is expected to be funded by the Group's internal funds.

The Company shall lead the establishment of a management company to operate the Fund.

The Fund shall mainly invest in the quality technology enterprises within the business park to be developed by the JV Company.

As the establishment of the Fund is subject to the approval of the relevant PRC governmental authorities, the transactions contemplated under the Cooperation Agreement may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

REASONS FOR AND BENEFITS OF THE COOPERATION AGREEMENT

It is expected that the JV Company will focus on promoting “the revolution in the healthcare industry supported by the new generation of information technology and big data”, adhere to the development ideas of “industry-city integration, civil-military integration”, and rely on the Supercomputing Center to lead the rapid development of “smart city”. It will also fully integrate domestic and foreign high-end talent, advanced technology and well-known enterprises, to create an “Internet + healthcare big data innovation platform” covering cloud computing, pharmaceutical research and development, precision medicine, health management, high-end health care, techfin (科技金融) and network information security, integrated circuits, smart manufacturing technology, etc.

The Group and Tanggu Marine will complement each other and strive to make the Project become a new world-class Internet + healthcare big data characteristic industrial zone.

In light of the above, the Board considers that the terms of the Cooperation Agreement and the transactions contemplated thereunder are fair and reasonable and entered into on normal commercial terms after arm's length negotiations between the relevant parties, and are in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION ON THE GROUP

The Group is a large-scale business park developer and operator primarily focusing on the development and operation of business parks with distinctive industry themes located in the PRC.

The Group's strategy for the upcoming years is to focus the industrial themes of its business parks to four categories, namely healthcare big data, integrated circuits, civil-military integration and smart manufacturing. In recent years, the Group has already been planning and developing new business parks in Xi'an and Chengdu, respectively, with a focus on innovative businesses including but not limited to the integrated circuit design industry.

INFORMATION ON TANGGU MARINE

Tanggu Marine is the administrative organ of Tanggu Marine Hi-tech Park* (塘沽海洋高新技術開發區) under the Tianjin Binhai Hi-Tech Industry Development Area* (天津濱海高新技術產業開發區) and is responsible for, *inter alia*, the planning, construction and procurement of business in relation to the Tanggu Marine Hi-tech Park.

LISTING RULES IMPLICATIONS

As JV Company will be established pursuant to the Cooperation Agreement and such formation of joint venture company will be related to the establishment of the Fund, the Group's capital contribution in the formation of the JV Company and the Group's commitment in the Fund are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio under the Listing Rules in respect of the formation of the JV Company and the Group's investment in the Fund, on an aggregated basis, is more than 5% but less than 25%, the transactions contemplated under the Cooperation Agreement constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the requirement of shareholders' approval.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	China Electronics Optics Valley Union Holding Company Limited, a company incorporated in Cayman Islands with limited liability whose issued shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Cooperation Agreement”	the cooperation agreement dated 1 November 2017 entered into between the Company and Tanggu Marine in respect of the formation of the JV Company and the establishment of the Fund

“Directors”	the directors of the Company
“Fund”	a fund proposed to be established by the Company and Tanggu Marine pursuant to the terms of the Cooperation Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	parties who are not connected persons of the Company and are independent of the Company and its connected persons
“JV Company”	天津中電互聯網產業園有限公司(Tianjin Zhongdian Internet Industrial Park Company Limited*), a limited liability company to be set up by the Subsidiary and Tianjin Co pursuant to the terms of the Cooperation Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Project”	has the meaning ascribed to it under the section headed “The Cooperation Agreement – The Project” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“sq m”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a wholly-owned subsidiary of the Company
“Tanggu Marine”	天津濱海高新技術產業開發區塘沽海洋高新技術開發區管理委員會 (Administrative Committee of Tianjin Binhai Hi-tech Industry Development Area Tanggu Marine Hi-tech Park*), located in Tianjin Binhai Hi-Tech Industry Development Area, and is the administrative organ of Tanggu Marine Hi-tech Park under the Tianjin Binhai Hi-Tech Industry Development Area

“Tianjin Co” a wholly-owned subsidiary of Tanggu Marine

“%” per cent.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00 = HK\$1.1765 has been used, where applicable, for purpose of illustration only and it does not constitute any representation that any amount has been, could have been or may be exchanged at that rate or at any other rate.

* *For identification purpose only*

By Order of the Board
China Electronics Optics Valley Union Holding Company Limited
Huang Liping
Chairman

Wuhan, Hubei, the People’s Republic of China
1 November 2017

As at the date of this announcement, the directors of the Company are Mr. Huang Liping and Mr. Hu Bin as executive directors; Mr. Lu Jun, Ms. Wang Qiuju, Mr. Xiang Qunxiong and Mr. Zhang Jie as non-executive directors; Mr. Qi Min, Mr. Leung Man Kit and Ms. Zhang Shuqin as independent non-executive directors.