
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 China Electronics Optics Valley Union Holding Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or 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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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)

PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE
SHARES AND ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of China Electronics Optics Valley Union Holding Company Limited to be held at Chalet, Lower Lobby Level, The Langham Hong Kong, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 13 June 2024 at 9:30 a.m. is set out in this circular.

In order to be valid, whether or not you are able to attend the Annual General Meeting, you are requested to complete and sign the enclosed form of proxy of the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting or any adjournment thereof (as the case may be) (i.e. not later than Tuesday, 11 June 2024 at 9:30 a.m. Hong Kong time, in respect of the Annual General Meeting). Completion and return of the form of proxy will not preclude shareholders from attending and voting in persons at the meeting should they so wish.

Such circular and form of proxy are also published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.ceovu.com>).

No corporate gifts or gift vouchers will be provided at the Annual General Meeting.

16 April 2024

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DEFINITIONS

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

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|--|---|
| “AAA Finance” | AAA Finance and Investment Holdings Limited, a limited liability company incorporated in the British Virgin Islands which is wholly-owned by Mr. Huang Liping, a Director and one of the Company’s substantial shareholders |
| “Annual General Meeting” | the annual general meeting of the Company to be held at Chalet, Lower Lobby Level, The Langham Hong Kong, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 13 June 2024 at 9:30 a.m. to consider and, if appropriate (where applicable), to approve the resolutions contained in the notice of the meeting which is set out on pages 19 to 23 of this circular, or any adjournment thereof |
| “Articles of Association” or “Articles” | the articles of association of the Company (as amended from time to time) |
| “Board” | the board of Directors of the Company |
| “Company” | China Electronics Optics Valley Union Holding Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange |
| “Director(s)” | director(s) of the Company |
| “HKD” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Latest Practicable Date” | 12 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) |

DEFINITIONS

| | |
|----------------------------|--|
| “PRC” | The People’s Republic of China |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | Ordinary share(s) of HKD0.1 each in the issued share capital of the Company or if there has been a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company |
| “Share Issuance Mandate” | the proposed granting of general mandate to the Directors to allot, issue or deal with new Shares in total not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the ordinary resolution as contained in item 10 of the notice of the Annual General Meeting set out on pages 19 to 23 of this circular |
| “Share Repurchase Mandate” | the proposed granting of general mandate to the Directors to repurchase Shares on the Stock Exchange in total not exceeding 10% of the total issued shares of the Company as at the date of passing of the ordinary resolution as contained in item 9 of the notice of the Annual General Meeting set out on pages 19 to 23 of this circular |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission as amended from time to time |

LETTER FROM THE BOARD



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)

Non-executive Directors:

Liu Guilin (*Chairman*)
Xiang Qunxiong
Zhang Jie
Zeng Yumei
Hu Bin

Independent Non-executive Directors:

Qi Min
Qiu Hongsheng
Qi Liang

Executive Director:

Huang Liping (*President*)

Registered Office:

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Headquarters and Principal Place
of Business in the PRC:*

Building No. 1, Higher Level
Creative Capital
16 Ye Zhi Hu West Road
Hongshan District
Wuhan, Hubei, the PRC

*Principal place of business
in Hong Kong:*

19/F, Cheung Kong Center
2 Queen's Road Central
Central, Hong Kong

Hong Kong, the PRC, 16 April 2024

To the Shareholders

Dear Sir or Madam

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE
SHARES AND ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Thursday, 13 June 2024.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 108(a) of the Articles of Association, Mr. Liu Guilin, Mr. Xiang Qunxiong and Mr. Zhang Jie will retire as Directors at the Annual General Meeting. In addition, in accordance with Article 112 of the Articles of Association, Ms. Zeng Yumei, who was appointed as the Director by the Board on 26 March 2024, will hold office until the Annual General Meeting. All the aforesaid Directors are eligible and will offer themselves for re-election at the Annual General Meeting.

The nomination committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors (with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Policy for Nomination of Directors and the Company's corporate strategies). The nomination committee has recommended to the Board on re-election of all the retiring Directors.

The Board is of the view that the retiring Directors are suitable candidates to be elected based on their background, experience and performances and the re-election will enable them to continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. Accordingly, the Board has endorsed the recommendations of the nomination committee of the Company and recommended all the retiring Directors to stand for re-election at the Annual General Meeting.

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 15 June 2023, the Directors were granted general mandate to repurchase Shares. The mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, it is recommended to propose an ordinary resolution at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange in total not exceeding 10% of the total issued shares of the Company as at the date of passing of the ordinary resolution as contained in item 9 of the notice of the Annual General Meeting (i.e. 751,232,400 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Directors hereby declare that they have no present plans to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement as required by the Listing Rules to provide Shareholders with requisite information reasonably necessary for Shareholders to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 15 June 2023, the Directors were granted general mandate to issue Shares. The mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, it is recommended to propose an ordinary resolution at the Annual General Meeting to approve the granting of the Share Issuance Mandate to the Directors to allot, issue or deal with additional Shares in total not exceeding 20% of the total issued shares of the Company as at the date of passing of the ordinary resolution as contained in item 10 of the notice of the Annual General Meeting (i.e. 1,502,464,800 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution will also be proposed at the Annual General Meeting to extend the Share Issuance Mandate by adding the aggregate number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

The Directors hereby declare that they have no present plans to issue any new Shares pursuant to Share Issuance Mandate.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 19 to 23 of this circular. As at the Latest Practicable Date, to the best of Directors' knowledge, information and belief, no Shareholder has any material interest in the resolutions to be proposed at the Annual General Meeting and therefore, no Shareholder is required to abstain from voting at the Annual General Meeting.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll, except where the chairman, in accordance with the Listing Rules, decides to allow a resolution which relates to a procedural or administrative matter to be voted by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.ceovu.com>). To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting or any adjournment thereof (as the case may be) (i.e. not later than Tuesday, 11 June 2024 at 9:30 a.m. Hong Kong time). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors consider that (i) the re-election of retiring Directors; and (ii) the granting of the Share Repurchase Mandate and the Share Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,

By order of the Board

China Electronics Optics Valley Union Holding Company Limited

Liu Guilin

Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

NON-EXECUTIVE DIRECTORS**(1) Mr. Liu Guilin (“Mr. Liu”)*****Position and Experience***

Mr. Liu Guilin (劉桂林), aged 52, was appointed as a non-executive Director and the chairman of the Company on 26 November 2020, and was appointed the chairman of the nomination committee of the Company on 22 December 2020.

Mr. Liu currently serves as the chairman of the board of directors and the Secretary of the Party Committee of China Electronics Financial Co., Ltd.* (中國電子財務有限責任公司). Mr. Liu was previously a cadre, deputy director of manager’s office, manager of Tianjin company, assistant-to-manger and manager of Tianjin company, assistant-to-manger and manager of Qinhuangdao company, deputy general manager and a member of the Party Committee of Shanxi Coal Imp. & Exp. Group Co., Ltd.* (山西煤炭進出口集團公司), the vice-chairman of the board, a member of the Party Committee and the general manager of Shanxi Commerce and Assets Company* (山西省經貿資產經營公司), the vice-chairman of the board, a member of the Party Committee and the general manager of Shanxi Commerce and Investment Holding Group Co., Ltd* (山西省經貿投資控股集團有限公司), secretary of committee of China Ruida System Equipment Company* (中國瑞達系統裝備公司), the Secretary of the Party Committee, the Secretary of the Party Committee and the vice general manager of China Ruida Investment Development Group Co., Ltd* (中國瑞達投資發展集團有限公司), the Director of Party and Masses’ Affairs Department (Party Group Office), director of the General Office and Director of Party Building Department (Party Group Office) of China Electronics* (中國電子), the chairman of the board and the Secretary of the Party Committee of China Electronics International Information Service Co., Ltd.* (中國中電國際信息服務有限公司), and the chairman of the board of directors of Shenzhen SED Industry Co., Ltd.* (深圳市桑達實業股份有限公司) (a company whose shares are listed on the Shenzhen Stock Exchange (stock code: 000032).

Mr. Liu graduated from Peking University with an Executive Master of Business Administration.

Save as aforesaid, Mr. Liu has not held other directorships in the last three years in any public companies of which the securities are listed on any securities market in Hong Kong or overseas.

Service term

Mr. Liu has entered into a letter of appointment with the Company for a term of three years commencing from 26 November 2023. The appointment may be terminated by written notice from either party to the other party at least one month in advance.

Relationships

Save as aforesaid, as far as the Directors are aware, Mr. Liu does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Liu was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations as defined in Part XV of the SFO.

Director's emolument

Mr. Liu will not receive any emolument from the Company as a Director.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

There is no other information which is discloseable nor is Mr. Liu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders.

(2) Mr. Xiang Qunxiong (“Mr. Xiang”)***Position and Experience***

Mr. Xiang Qunxiong (向群雄), aged 59, was appointed as a non-executive Director, a member of the audit committee on 26 November 2020 and was appointed as a member of the remuneration committee of the Company on 8 September 2021. Mr. Xiang is currently a director of China Electronics International Information Service* (中國中電國際信息服務). Mr. Xiang previously held various positions in China Electronics Shenzhen Company Limited* (深圳中電投資有限公司) including the chairman of the board of directors, the secretary of the Party Committee, legal consultant, the deputy director-in-charge of the legal affairs department, the head of the general manager's office, the head of legal affairs department, a director, a supervisor and the vice general manager. Mr. Xiang also held various positions in China Electronics International Information

Services Co., Ltd.* (中國中電國際信息服務有限公司), including the director of the office of directors and supervisors, the secretary to the board of directors and the principal legal consultant. Mr. Xiang had been a non-executive director from December 2016 to May 2020.

Mr. Xiang was admitted to practise law in the PRC and is a registered corporate lawyer. Mr. Xiang was granted the second class legal consultant title for state-owned companies of the PRC in January 2015 and was appointed as an arbitrator of Shenzhen Court of International Arbitration (also known as the “Shenzhen Arbitration Commission” and the “South China International Economic and Trade Arbitration Commission”) in November 2018. Mr. Xiang graduated from Zhongnan University of Economics and Law (formerly known as Zhongnan Institute of Politics and Law) in January 1993 and held a master’s degree in law.

Save as aforesaid, Mr. Xiang has not held other directorships in the last three years in any public companies of which the securities are listed on any securities market in Hong Kong or overseas.

Service term

Mr. Xiang has entered into a letter of appointment with the Company for a term of three years commencing from 26 November 2023. The appointment may be terminated by written notice from either party to the other party at least one month in advance.

Relationships

Save as aforesaid, as far as the Directors are aware, Mr. Xiang does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Xiang was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations as defined in Part XV of the SFO.

Director’s emolument

Mr. Xiang will not receive any emolument from the Company as a Director.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

There is no other information which is discloseable nor is Mr. Xiang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Xiang that need to be brought to the attention of the Shareholders.

(3) Mr. Zhang Jie (“Mr. Zhang”)*Position and Experience*

Mr. Zhang Jie (張傑), aged 54, is a non-executive Director appointed on 12 June 2014. Mr. Zhang has over 30 years of experience in real estate management. Mr. Zhang is currently the vice general manager of the pension and property centre of Sunshine Insurance Group Company Limited* (陽光保險集團股份有限公司), which is a shareholder of the Company, and the chairman of Beijing Sunshine Ronghe Property Company Limited* (北京陽光融和置業有限公司), the chairman of the board of directors of Hainan Sunshine Yihe Development Company Limited* (海南陽光頤和發展有限公司) and the director and general manager of and Hainan Sunshine Xinhai Development Company Limited* (海南陽光鑫海發展有限公司), all being subsidiaries of Sunshine Insurance Group Company Limited* (陽光保險集團股份有限公司). Mr. Zhang worked with COFCO Corporation (中糧集團有限公司) from August 1993 to November 2011, during which he served as the project manager of COFCO Industrial Development Corporation (中糧實業發展公司), the deputy general manager of the third project management department of COFCO, the manager of COFCO Property Development Company Limited* (中糧置業發展有限公司), and the director of engineering, assistant to the president and subsequently vice president of Sanya Yalong Development Company Limited* (三亞亞龍灣開發股份有限公司). Since November 2011, Mr. Zhang has worked for Sunshine Insurance Group Company Limited* (陽光保險集團股份有限公司) and previously served as the general manager of the property construction and operation centre. Mr. Zhang was a committee member of the Sanya Municipal Committee of the Fifth Chinese People’s Political Consultative Conference from January 2007 to January 2012, a member of the Standing Committee of the Sanya Municipal Committee of the Sixth Chinese People’s Political Consultative Conference from January 2012 to January 2017, and a committee member of the Sanya Municipal Committee of the Seventh Chinese People’s Political Consultative Conference from January 2017 to January 2022. Mr. Zhang has also been the vice president of the Sanya Real Estate Association since 2002.

Mr. Zhang graduated from Tsinghua University with a bachelor’s degree in engineering in June 1993, and obtained a master’s degree in engineering majoring in real estate management from Tsinghua University in May 2004. Mr. Zhang obtained a certificate of national registered real estate appraiser issued by the Ministry of Housing and Urban-Rural Development of the People’s Republic of China in May 1998, and a certificate of supervising engineer issued by the Beijing Municipal Commission of Housing and Urban-Rural Development in December 1998.

Save as aforesaid, Mr. Zhang has not held other directorships in the last three years in any public companies of which the securities are listed on any securities market in Hong Kong or overseas.

Service term

Mr. Zhang has entered into a letter of appointment with the Company for a term of three years commencing from 12 June 2023. The appointment may be terminated by written notice from either party to the other party at least one month in advance.

Relationships

Save as aforesaid, as far as the Directors are aware, Mr. Zhang does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Zhang was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations as defined in Part XV of the SFO.

Director's emolument

Mr. Zhang will not receive any emolument from the Company as a Director.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

There is no other information which is discloseable nor is Mr. Zhang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders.

(4) Ms. Zeng Yumei (“Ms. Zeng”)***Position and Experience***

Ms. Zeng Yumei (曾玉梅), aged 44, is a non-executive Director appointed on 26 March 2024.

Currently, she is the general manager, vice chairman of the board and deputy secretary of the Party Committee of Hubei Science & Technology Investment Group Co., Ltd* (湖北省科技投資集團有限公司). Ms. Zeng is also a director of Wuhan Optics Valley Financial Holding Group Co., Ltd* (武漢光谷金融控股集團有限公司) and the chairman of the board of Hubei Science & Technology Investment Group (Hong Kong) Company Limited (湖北省科技投資集團(香港)有限公司). She is also a director of Tianma Microelectronics Co., Ltd.* (天馬微電子股份有限公司), a company listed on the Shenzhen Stock Exchange (Shenzhen Stock Code: 000050). She also serves as a supervisor of Yangtze Memory Technologies Holdings Co., Ltd.* (長江存儲科技控股有限責任公司), Yangtze Memory Technologies Co., Ltd.* (長江存儲科技有限責任公司) and Wuhan Xinxin Semiconductor Manufacturing Co., Ltd.* (武漢新芯集成電路製造有限公司).

Between 2010 to 2019, Ms. Zeng held various positions in Wuhan East Lake New Technology Development Zone* (武漢東湖新技術開發區), including the deputy director of the Office of the Management Committee* (管委會辦公室), deputy director of the Development and Reform Bureau (發展改革局) and director of the Talent Office* (人才辦) of Wuhan East Lake New Technology

Development Zone. From 2019 to 2022, Ms. Zeng served as the deputy secretary and member of the Party Committee and the vice general manager of Wuhan Hi-Tech Holding Group Co., Ltd.* (武漢高科國有控股集團有限公司).

Ms. Zeng graduated from Wuhan University (武漢大學) with a Bachelor's degree in Radio and Television Journalism (廣播電視新聞學) in 2002, a Master's degree in Communications (傳播學) in 2006 and a Doctorate's degree in Communications (傳播學) in 2010. She has been accredited as a senior economist (正高級經濟師). She previously attended and obtained a certificate in respect of a management course offered by Tsinghua University PBC School of Finance (清華大學五道口金融學院).

Save as aforesaid, Ms. Zeng has not held other directorships in the last three years in any public companies of which the securities are listed on any securities market in Hong Kong or overseas.

Service term

Ms. Zeng has entered into a letter of appointment with the Company for a term of three years commencing from 26 March 2024. The appointment may be terminated by written notice from either party to the other party at least one month in advance.

Relationships

Save as aforesaid, as far as the Directors are aware, Ms. Zeng does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Zeng was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations as defined in Part XV of the SFO.

Director's emolument

Ms. Zeng will not be entitled to any remuneration for her position as a non-executive Director.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

There is no other information which is discloseable nor is Ms. Zeng involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Zeng that need to be brought to the attention of the Shareholders.

The following is an explanatory statement as required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 7,512,324,000 Shares.

Subject to the passing of the ordinary resolution set out in item 9 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting (i.e. 7,512,324,000 Shares), the Directors would be authorised under the Share Repurchase Mandate, during the period in which the Share Repurchase Mandate remains in force, to repurchase an aggregate of up to 751,232,400 Shares, representing 10% of the aggregate number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to grant the Share Repurchase Mandate.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share, and will only be made when the Board believes that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICE OF SHARES

The highest and lowest prices per Share at which Shares were traded on the Stock Exchange for the past 12 months were as follows:

| Month | Highest HKD | Lowest HKD |
|---|------------------------|-----------------------|
| 2023 | | |
| April | 0.380 | 0.345 |
| May | 0.370 | 0.330 |
| June | 0.365 | 0.320 |
| July | 0.365 | 0.320 |
| August | 0.330 | 0.255 |
| September | 0.295 | 0.255 |
| October | 0.355 | 0.250 |
| November | 0.470 | 0.340 |
| December | 0.470 | 0.380 |
| 2024 | | |
| January | 0.415 | 0.330 |
| February | 0.370 | 0.330 |
| March | 0.370 | 0.335 |
| April (up to the Latest Practicable Date) | 0.370 | 0.330 |

6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

The Company confirms that neither this explanatory statement nor the proposed share repurchase has any unusual features.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge of the Company, Mr. Huang Liping (“**Mr. Huang**”), is deemed to be interested in 1,904,188,000 Shares, representing approximately 25.35% of the issued shares of the Company. AAA Finance is interested in 1,784,188,000 Shares, representing approximately 23.75% of the issued shares of the Company. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, AAA Finance's shareholding in the Company would be increased from 23.75% to 26.39%; the aggregate shareholding of Mr. Huang would be increased from 25.35% to 28.16%. Both of them would not give rise to an obligation to make a mandatory offer in accordance with the provisions of Rule 26 of the Takeovers Code.

China Electronics International Information Service Co., Ltd.* (中國中電國際信息服務有限公司, “**CEIS**”) is deemed to be interested in Shares that could control the exercise of voting rights of 2,550,000,000 Shares, representing approximately 33.94% of the issued shares of the Company. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, CEIS's shareholding in the Company would be increased from 33.94% to 37.72%, which would give rise to an obligation to make a mandatory offer in accordance with the provisions of Rule 26 of the Takeovers Code.

The Directors believe that the increase of shareholding interest would not reduce the public holding of issued share capital to lower than 25% (or such prescribed minimum percentage as determined by the Stock Exchange). The Directors have no intention to exercise the Share Repurchase Mandate to an extent that would give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and would cause the aggregate public holding of issued Shares to be lower than the prescribed minimum percentage as determined by the Stock Exchange.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had repurchased an aggregate of 62,028,000 Shares of the Company on the Stock Exchange with details set out below.

| Date of repurchase | Number of shares | Price per share | |
|--------------------|------------------|-----------------------|----------------------|
| | | Highest <i>HKD</i> | Lowest <i>HKD</i> |
| 2023 | | | |
| 3 October | 220,000 | 0.260 | 0.260 |
| 4 October | 3,088,000 | 0.275 | 0.255 |
| 6 October | 688,000 | 0.280 | 0.280 |
| 10 October | 200,000 | 0.285 | 0.285 |
| 11 October | 996,000 | 0.295 | 0.295 |
| 13 October | 28,000 | 0.310 | 0.310 |
| 17 October | 320,000 | 0.325 | 0.325 |
| 18 October | 300,000 | 0.330 | 0.330 |
| 19 October | 1,084,000 | 0.335 | 0.330 |
| 20 October | 1,100,000 | 0.340 | 0.335 |
| 26 October | 5,664,000 | 0.345 | 0.315 |
| 27 October | 516,000 | 0.345 | 0.345 |
| 30 October | 2,288,000 | 0.350 | 0.345 |
| 31 October | 644,000 | 0.350 | 0.350 |
| 1 November | 1,112,000 | 0.355 | 0.345 |
| 2 November | 1,892,000 | 0.365 | 0.355 |
| 3 November | 700,000 | 0.370 | 0.365 |
| 6 November | 692,000 | 0.370 | 0.370 |
| 7 November | 140,000 | 0.375 | 0.375 |
| 8 November | 1,044,000 | 0.385 | 0.385 |
| 9 November | 2,456,000 | 0.390 | 0.385 |
| 10 November | 1,800,000 | 0.395 | 0.385 |
| 14 November | 1,500,000 | 0.405 | 0.400 |
| 15 November | 572,000 | 0.410 | 0.405 |
| 16 November | 200,000 | 0.415 | 0.410 |
| 17 November | 2,008,000 | 0.425 | 0.405 |
| 20 November | 232,000 | 0.430 | 0.430 |
| 21 November | 1,320,000 | 0.435 | 0.430 |
| 22 November | 3,520,000 | 0.440 | 0.425 |
| 23 November | 1,240,000 | 0.445 | 0.435 |
| 24 November | 1,840,000 | 0.450 | 0.445 |
| 27 November | 1,356,000 | 0.455 | 0.435 |
| 28 November | 1,764,000 | 0.465 | 0.450 |
| 29 November | 1,260,000 | 0.465 | 0.460 |

APPENDIX II**EXPLANATORY STATEMENT ON
THE SHARE REPURCHASE MANDATE**

| Date of repurchase | Number of shares | Price per share | |
|---------------------------|-------------------------|------------------------------|-----------------------------|
| | | Highest <i>HKD</i> | Lowest <i>HKD</i> |
| 30 November | 2,716,000 | 0.470 | 0.460 |
| 1 December | 1,108,000 | 0.470 | 0.460 |
| 4 December | 760,000 | 0.470 | 0.465 |
| 5 December | 1,868,000 | 0.465 | 0.460 |
| 6 December | 140,000 | 0.465 | 0.460 |
| 7 December | 960,000 | 0.455 | 0.450 |
| 8 December | 320,000 | 0.460 | 0.460 |
| 11 December | 720,000 | 0.435 | 0.425 |
| 12 December | 1,040,000 | 0.430 | 0.430 |
| 13 December | 640,000 | 0.430 | 0.425 |
| 14 December | 940,000 | 0.430 | 0.430 |
| 21 December | 840,000 | 0.430 | 0.400 |
| 22 December | 600,000 | 0.425 | 0.420 |
| 27 December | 500,000 | 0.425 | 0.420 |
| 29 December | 584,000 | 0.420 | 0.415 |
| 2024 | | | |
| 19 January | 2,480,000 | 0.380 | 0.345 |
| 22 January | 1,268,000 | 0.380 | 0.365 |
| 23 January | 100,000 | 0.375 | 0.375 |
| 25 January | 660,000 | 0.380 | 0.370 |

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of China Electronics Optics Valley Union Holding Company Limited (the “**Company**”) will be held at Chalet, Lower Lobby Level, The Langham Hong Kong, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 13 June 2024 at 9:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions. Unless otherwise stated, terms used herein shall have the same meanings as those defined in the circular of the Company dated 16 April 2024.

ORDINARY RESOLUTIONS

1. To receive the audited consolidated financial statements, directors’ report and auditors’ report of the Company for the year ended 31 December 2023.
2. To declare a final dividend of HKD2.5 cents per Share for the year ended 31 December 2023.
3. To re-elect Mr. Liu Guilin as a non-executive director of the Company.
4. To re-elect Mr. Xiang Qunxiong as a non-executive director of the Company.
5. To re-elect Mr. Zhang Jie as a non-executive director of the Company.
6. To re-elect Ms. Zeng Yumei as a non-executive director of the Company.
7. To authorise the board of directors of the Company to fix the remuneration of each of the directors.
8. To re-appoint PricewaterhouseCoopers as the auditor of the Company and to authorize the board of directors of the Company to fix their remuneration.
9. To consider and if thought fit, to pass, with or without amendments or modifications, the following resolution as an ordinary resolution:

NOTICE OF ANNUAL GENERAL MEETING

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased according to the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision must be the same; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or other applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders at general meeting.”

10. To consider and if thought fit, to pass, with or without amendments or modifications, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company, and during or after the Relevant Period (as defined below) to make or grant offers, agreements and options which would or might require the exercise of such powers in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the mandate in paragraph (a) above shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of subscription or exchange option under the terms of any existing warrants, bonds, debentures, notes or other securities carrying the right to subscribe for or exchange into shares of the Company;
 - (iii) the issue of shares pursuant to the exercise of options under a share option scheme of the Company; and
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision must be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or other applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders at general meeting.”

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

11. To consider and if thought fit, to pass, with or without amendments or modifications, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate number of shares repurchased by the Company pursuant to the mandate referred to in the resolution set out in item 9 of the Notice, provided that such amount shall not exceed 10% of the total issued shares of the Company as at the date of passing of this resolution.”

By order of the Board

China Electronics Optics Valley Union Holding Company Limited
Liu Guilin
Chairman

Hong Kong, the PRC, 16 April 2024

Notes:

1. All resolutions at the Annual General Meeting of the Company (the “**Meeting**”) (except those relating to procedural or administrative matters, which should be taken by a show of hands as the Chairman may decide) will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy (or more than one proxies) to attend and vote at the Meeting on behalf of him/her when the resolutions are taken by poll. A proxy needs not be a shareholder of the Company. If more than one proxies are so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed in the relevant form of proxy.

For a vote by poll, each shareholder attending by himself/herself or by proxy shall have one vote per share.

NOTICE OF ANNUAL GENERAL MEETING

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or is a certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the Meeting or any adjournment thereof (as the case may be) (i.e. not later than Tuesday, 11 June 2024 at 9:30 a.m. (Hong Kong time)). Completion and return of the form of proxy shall not preclude Shareholders of the Company from attending and voting in persons at the Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the eligibility to attend and vote at the above Meeting, the register of members of the Company will be closed from Monday, 10 June 2024 to Thursday, 13 June 2024, both dates inclusive, during which period no share transfers will be registered. Holders of shares of the Company whose names appear on the register of members of the Company on 13 June 2024 are entitled to attend and vote at the Meeting following completion of the registration procedures for share transfers. In order to be eligible to attend and vote at the Meeting, unregistered shareholders of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 7 June 2024.
5. For determining the entitlement to the proposed final dividend (subject to the approval by the Shareholders at the Meeting), the register of members of the Company will be closed from Wednesday, 19 June 2024 to Friday, 21 June 2024, both dates inclusive, during which period no share transfers will be registered. In order to qualify for the proposed final dividend, unregistered shareholders of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 18 June 2024.
6. References to time and dates in this notice are to Hong Kong time and dates.
7. No corporate gifts or gift vouchers will be provided at the Annual General Meeting.