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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)

DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS – 2026 FINANCIAL SERVICES AGREEMENT

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

2026 FINANCIAL SERVICES AGREEMENT

Reference is made to the announcements of the Company dated 5 July 2023 and 24 August 2023, and the circular of the Company dated 2 August 2023 in relation to the 2023 Financial Services Agreement. Pursuant to the 2023 Financial Services Agreement, CEC Finance has agreed to provide, inter alia, certain deposit services to the Group. CEC Finance is a non-banking financial institution regulated by the NFRA.

Since the deposit services under the 2023 Financial Services Agreement will expire on 29 June 2026, and the Company intends to continue carrying out the relevant transactions under the 2023 Financial Services Agreement, the Company has entered into the 2026 Financial Services Agreement with CEC Finance on 13 May 2026 to, inter alia, renew and set the annual caps for the deposit services for the three years ending 29 June 2029 (i.e. the New Caps). The 2026 Financial Services Agreement and the New Caps are conditional upon the approval of the Independent Shareholders at a general meeting of the Company.

LISTING RULES IMPLICATIONS

CEC Finance is a subsidiary of CEC, while CEC indirectly holds 2,550,000,000 Shares of the Company as at the date of this announcement (representing approximately 34.42% of the issued share capital of the Company). Therefore, CEC is a substantial shareholder of the Company and CEC Finance is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the 2026 Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the maximum daily balance of the funds settlement balance (deposit amount) (i.e. the New Caps) under the 2026 Financial Services Agreement is more than 5% but less than 25%, the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps are subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

A circular containing, inter alia, (i) details of the 2026 Financial Services Agreement and the New Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps; and (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders in relation to the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps, will be despatched to the Shareholders in accordance with the requirements of Rule 14A.46(1) of the Listing Rules on or before 9 June 2026.

INTRODUCTION

Reference is made to the announcements of the Company dated 5 July 2023 and 24 August 2023, and the circular of the Company dated 2 August 2023 in relation to the 2023 Financial Services Agreement. Pursuant to the 2023 Financial Services Agreement, CEC Finance has agreed to provide, inter alia, certain deposit services to the Group. CEC Finance is a non-banking financial institution regulated by the NFRA.

Since the deposit services under the 2023 Financial Services Agreement will expire on 29 June 2026, and the Company intends to continue carrying out the relevant transactions under the 2023 Financial Services Agreement, the Company has entered into the 2026 Financial Services Agreement with CEC Finance on 13 May 2026 to, inter alia, renew and set the annual caps for the deposit services for the three years ending 29 June 2029 (i.e. the New Caps). The 2026 Financial Services Agreement and the New Caps are conditional upon the approval of the Independent Shareholders at a general meeting of the Company.

THE 2026 FINANCIAL SERVICES AGREEMENT

Date: 13 May 2026

Parties: (a) The Company

(b) CEC Finance

Subject matter

The major terms of the 2026 Financial Services Agreement are substantially the same as those of the 2023 Financial Services Agreement.

The Group shall have the right to engage the financial services to be provided by CEC Finance, on a non-exclusive basis and may also engage the relevant financial services offered by other financial institutions during the term of the 2026 Financial Services Agreement.

Deposit services

Pursuant to the 2026 Financial Services Agreement, conditional upon obtaining the Independent Shareholders' approval pursuant to the Listing Rules, CEC Finance shall provide certain deposit services to the Group, the principal terms of which are as follows:

(a) the interest rate for the deposit of the Group's funds with CEC Finance shall be no less than interest rate for the same type of deposit offered by the major commercial banks in the PRC for the same duration; and

(b) maximum daily balance of the funds settlement balance (deposit amount) placed by the Group with CEC Finance for each of the three years ending 29 June 2029 (i.e. the New Caps) shall not exceed RMB300 million (equivalent to approximately HK$343.218 million).

Other terms of the 2026 Financial Services Agreement

In addition to the abovementioned deposit services, pursuant to the 2026 Financial Services Agreement, CEC Finance has also agreed to provide the following financial services to the Group:

(1) Loan services

CEC Finance shall provide certain loan services to the Group pursuant to the 2026 Financial Services Agreement. As the said loan services to be provided by CEC Finance to the Group shall be on normal commercial terms similar to or more favourable than those offered by other financial institutions for the provision of comparable services in the PRC and are for the benefit of the Group, and that the Company expects that no security over the assets of the Group will be granted in respect of such loan services under the 2026 Financial Services Agreement, the

loan services to be provided by CEC Finance to the Group under the 2026 Financial Services Agreement will be exempt from all reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For completeness, the major terms of the said loan services to be provided by CEC Finance to the Group are set out below for the Shareholders' information:

(i) the loan services to be provided by CEC Finance include the provision of loans and the grant of credit facilities within the scope allowed by the laws, regulations and policies of the PRC and in accordance with the requirements of the NFRA;

(ii) the interest rate for the loan services to be provided by CEC Finance to the Group shall not exceed interest rate for the same type of loan provided by other financial institutions in the PRC to the Group for the same period; and

(iii) CEC Finance shall provide a credit facility in respect of the loan services of up to RMB1,500 million to the Group.

(2) Miscellaneous financial services

CEC Finance shall also provide certain other miscellaneous financial services to the Group pursuant to the 2026 Financial Services Agreement. In respect of the provision of such financial services by CEC Finance to the Group, as the Company expects that all the percentage ratios (if applicable) of the relevant annual fees payable by the Group to CEC Finance in aggregate will be below 0.1%, the provision of such financial services by CEC Finance to the Group will be exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For completeness, the major terms of the provision of such financial services by CEC Finance to the Group are set out below for the Shareholders' information:

(i) the miscellaneous financial services include the provision of investment and financial advisory and consultation services, credit verification services, provision of guarantees, provision of entrusted loans services and settlement services by CEC Finance to the Group; and

(ii) the fees to be charged by CEC Finance for the provision of the miscellaneous financial services shall not exceed the rate for the same type of services provided by other financial institutions in the PRC to the Group in the same period.

Renewal of the annual caps under the 2026 Financial Services Agreement

The table below sets out the Existing Caps for each of the two years ended 29 June 2024 and 29 June 2025, and for the year ending 29 June 2026, respectively:

	From 30 June 2023 to 29 June 2024 *(RMB)*	**From 30 June 2024 to 29 June 2025** *(RMB)*	**From 30 June 2025 to 29 June 2026** *(RMB)*
Existing Caps	600 million	600 million	600 million

The table below sets out the historical maximum daily balance of funds settlement balance (deposit amount) for each of the two years ended 29 June 2024 and 29 June 2025, and for the period from 30 June 2025 to the date of this announcement, respectively:

	From 30 June 2023 to 29 June 2024 *(RMB)*	**From 30 June 2024 to 29 June 2025** *(RMB)*	**From 30 June 2025 to 13 May 2026** *(RMB)*
Historical maximum daily balance of funds settlement balance (deposit amount)	232.50 million	259.94 million	210.01 million

The table below sets out the New Caps for the three years ending 29 June 2029:

	From 30 June 2026 to 29 June 2027 *(RMB)*	**From 30 June 2027 to 29 June 2028** *(RMB)*	**From 30 June 2028 to 29 June 2029** *(RMB)*
New Caps	300 million	300 million	300 million

The Directors confirm that the historical maximum daily balance of funds settlement balance (deposit amount) for each of the two years ended 29 June 2024 and 29 June 2025, and for the period from 30 June 2025 to the date of this announcement, respectively, has not exceeded the Existing Caps.

The above New Caps under the 2026 Financial Services Agreement are determined after considering (i) the Group's historical maximum daily balance of funds settlement balance (deposit amount) deposited with CEC Finance, as well as other financial institutions; (ii) the historical and the latest cash position of the Group (especially unrestricted funds); (iii) the demand of deposit services due to the funding (which was not immediately utilised or transferred) from credit facility services from CEC Finance; and (iv) the Group's strategic cooperation with the CEC Group.

Based on the above, and the relevant reasons for and benefits of the 2026 Financial Services Agreement as detailed below, the Directors (excluding the independent non-executive Directors whose opinion will be set out in the letter from the Independent Board Committee in the circular to be despatched to the Shareholders) believe that the New Caps and the terms of the 2026 Financial Services Agreement are fair and reasonable and in the interest of the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE 2026 FINANCIAL SERVICES AGREEMENT

In view of the historical and latest cash position of the Group, the demand of deposit services due to the funding (which was not immediately utilised or transferred) from credit facility services from CEC Finance, and in order to maintain the strategic cooperation between the Group and the CEC Group, the Company has entered into the 2026 Financial Services Agreement with CEC Finance to renew the Existing Caps. Having considered that the interest rates offered by and/or the rates charged by CEC Finance for the deposit services, loan services and miscellaneous financial services under the 2026 Financial Services Agreement shall be equal to or more favourable than those offered and/or charged by major commercial banks and other financial institutions in the PRC for the same type of financial services provided to the Company, the Board considers that the transactions under the 2026 Financial Services Agreement (as a renewal of the 2023 Financial Services Agreement) have and will enable the Group to continue with its existing efficient fund utilisation arrangement.

The New Caps have been proposed at an optimal level after considering the abovementioned basis to provide the Group with the flexibility in the management of its funds. Depending on its actual cash position, business development, funding requirements, and the capital market conditions, the Group may or may not maintain deposits with CEC Finance up to the level of the proposed New Caps. Further, CEC Finance is a subsidiary of CEC and a non-banking financial institution, which is principally engaged in the provision of various financial services, which services are regulated by the NFRA. Together with the undertakings given by CEC Finance and the Company's adoption of the relevant internal control procedures as set out in the circular of the Company dated 2 August 2023 in relation to the renewal of the annual caps in respect of the 2023 Financial Services Agreement (which will continue to apply in respect of the 2026 Financial Services Agreement), the Board considers that appropriate measures have been adopted to ensure the safety of the Group's funds that will be deposited with CEC Finance.

In light of the above, the Directors (excluding the independent non-executive Directors whose opinion will be set out in the letter from the Independent Board Committee in the circular to be despatched to the Shareholders) consider that the 2026 Financial Services Agreement has been negotiated on arm's length basis and is on normal commercial terms or better and in the ordinary and usual course of business of the Group, and the terms of the 2026 Financial Services Agreement, the transactions contemplated thereunder, and the proposed New Caps in respect of the deposit services are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON CEC FINANCE AND ITS ULTIMATE BENEFICIAL OWNER

CEC Finance is a company incorporated in the PRC with limited liability on 21 April 1988 and is principally engaged in the provision of various financial services such as deposit services, loan services and settlement services. CEC Finance is a non-wholly owned subsidiary of CEC and was, as at the date of this announcement, insofar as the Board is aware, held:

(1) as to approximately 85.84% by CEC;

(2) as to approximately 4.05% by 武漢中原電子集團有限公司 (Wuhan Zhongyuan Electronics Group Co., Ltd.*), which is indirectly wholly-owned by 中國長城科技集團股份有限公司 (China Greatwall Technology Group Co., Ltd.*), a company listed in the Shenzhen Stock Exchange (Stock Code: 000066), which is in turn controlled by CEC;

(3) as to approximately 3.53% by 中國電子進出口有限公司 (China Electronics Import and Export Company Limited*), which is indirectly wholly-owned by CEC;

(4) as to approximately 2.99% by 中國振華電子集團有限公司 (China Zhenhua Electronics Group Co., Ltd.*) ("**Zhenhua Electronics**"), which is in turn owned as to approximately 54.28% by CEC, as to approximately 31.30% by 貴州省黔晟國有資產經營有限責任公司 (Guizhou Qiansheng State-owned Assets Management Co., Ltd.*), as to approximately 10.60% by 中國中信金融資產管理股份有限公司 (China CITIC Financial Asset Management Co., Ltd.) (formerly known as 中國華融資產管理股份有限公司 (China Huarong Asset Management Co., Ltd.*)), a company listed in the Stock Exchange (Stock Code: 2799), as to approximately 3.57% by 中國長城資產管理股份有限公司 (China Great Wall Asset Management Co., Ltd.*) and as to approximately 0.25% by 中國東方資產管理股份有限公司 (China Orient Asset Management Co., Ltd.*);

(5) as to approximately 1.60% by 中國振華(集團)科技股份有限公司 (China Zhenhua (Group) Science & Technology Co., Ltd.*), a company listed in the Shenzhen Stock Exchange (Stock Code: 000733), which is in turn controlled by Zhenhua Electronics;

(6) as to approximately 1.51% by 中電智能卡有限責任公司 (China Electronics Smart Card Co., Ltd.*), which is in turn ultimately owned by CEC as to approximately 60.47%, 公安部第一研究所 (First Research Institute of the Ministry of Public Security of the People's Republic of China*) as to approximately 37.20%, and Chongqing State-owned Assets Supervision and Administration Commission as to approximately 2.33%; and

(7) as to approximately 0.48% by 中國中電國際信息服務有限公司 (China Electronics International Information Service Company Limited*), which is indirectly wholly-owned by CEC.

CEC is a substantial shareholder of the Company and is a state-owned company whose ultimate beneficial owner is the State Council of the PRC. It is committed to establishing itself as a national leader of the network safety and informatisation industry, and regards network safety as its core business and core capacity. Its main business covers network security, new display, integrated circuits, high-tech electronics, information services and other electronic information industry fields featuring national strategy, foundation and guidance.

INFORMATION ON THE GROUP

The Group is an industrial park integrated operation service provider in the PRC. Leveraging on the industrial resources of CEC and based on integrated life cycle operation services of the Group, the Group constructed an industrial medium that is "State enterprise-led and innovated by joint efforts by small, medium and big enterprises" to establish an industrial resource sharing platform that carries features such as industry clustering, intelligent service and investment networks.

LISTING RULES IMPLICATIONS

CEC Finance is a subsidiary of CEC, while CEC indirectly holds 2,550,000,000 Shares of the Company as at the date of this announcement (representing approximately 34.42% of the issued share capital of the Company). Therefore, CEC is a substantial shareholder of the Company and CEC Finance is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the 2026 Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the maximum daily balance of the funds settlement balance (deposit amount) (i.e. the New Caps) under the 2026 Financial Services Agreement is more than 5% but less than 25%, the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps are subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

If the Group is required to provide any security over its assets in respect of the loan services in the future, the Group will comply with the applicable requirements under Chapter 14A of the Listing Rules.

Ms. Liu Bo and Mr. Zang Saijun, being non-executive Directors, had abstained from voting on the relevant Board resolution to approve the 2026 Financial Services Agreement by reason of their respective positions in and/or relationship with the CEC Group. Save as disclosed and to the best knowledge of the Company having made all reasonable enquiries, no other Directors had any material interest in the 2026 Financial Services Agreement.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising the independent non-executive Directors (namely, Mr. Qiu Hongsheng, Mr. Peng Weidong and Mr. Hu Lijun) has been established to advise the Independent Shareholders on whether or not the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps are conducted in the ordinary and usual course of business and on normal commercial terms or better, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Gram Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps.

DESPATCH OF CIRCULAR

A circular containing, inter alia, (i) details of the 2026 Financial Services Agreement and the New Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps; and (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders in relation to the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps, will be despatched to the Shareholders in accordance with the requirements of Rule 14A.46(1) of the Listing Rules on or before 9 June 2026, as additional time is required by the Company to prepare the relevant information in the circular.

DEFINITIONS

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

"2023 Financial Services Agreement"	the financial services agreement dated 5 July 2023 entered into between the Company and CEC Finance
"2026 Financial Services Agreement"	the financial services agreement dated 13 May 2026 entered into between the Company and CEC Finance
"Board"	the board of Directors
"CEC"	中國電子信息產業集團有限公司 (China Electronics Corporation Limited*), a state-owned company established under the laws of the PRC and a substantial shareholder of the Company

"CEC Finance"	中國電子財務有限責任公司 (China Electronics Financial Co., Ltd.*), a company established under the laws of the PRC and a non-wholly owned subsidiary of CEC
"CEC Group"	CEC and its subsidiaries
"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
"Directors"	the directors of the Company
"Existing Caps"	the existing annual cap amounts for the two years ended 29 June 2025, and the year ending 29 June 2026 in respect of the maximum daily balance of funds settlement balance (deposit amount) under the 2023 Financial Services 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 Board Committee"	a committee of the Board comprising Mr. Qiu Hongsheng, Mr. Peng Weidong and Mr. Hu Lijun, being the independent non-executive Directors, to advise the Independent Shareholders on the matters relating to the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the deposit services contemplated under the 2026 Financial Services Agreement and the New Caps

"Independent Shareholders"	Shareholders who are not required to abstain from voting at the relevant general meeting of the Company to be held to consider, and if thought fit, approve the 2026 Financial Services Agreement, the transactions contemplated thereunder, and the New Caps
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"New Caps"	the new annual cap amounts for the three years ending 29 June 2029 in respect of the maximum daily balance of funds settlement balance (deposit amount) under the 2026 Financial Services Agreement
"NFRA"	National Financial Regulatory Administration* (國家金融監督管理總局) of the PRC, which was officially established on the basis of the China Banking and Insurance Regulatory Commission* (中國銀行保險監督管理委員會) on 18 May 2023
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.10 each in the issued share capital of the Company
"Shareholder(s)"	the holder(s) of shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

* *For identification purposes only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00 = HK$1.144 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.

By order of the board of directors
China Electronics Optics Valley Union Holding Company Limited
Liu Bo
Chairman

Wuhan, Hubei, the People's Republic of China, 13 May 2026

As at the date of this announcement, the directors of the Company are Ms. Liu Bo (Chairman), Mr. Zhang Jie, Mr. Hu Bin, Ms. Zeng Yumei and Mr. Zang Saijun as non-executive Directors; Mr. Qiu Hongsheng, Mr. Peng Weidong and Mr. Hu Lijun as independent non-executive Directors; Mr. Huang Liping as executive Director (President).