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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in China Electronics Huada Technology Company Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer 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 HUADA TECHNOLOGY COMPANY LIMITED**  
**中國電子華大科技有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 00085)**

**PROPOSED GRANT OF GENERAL MANDATES  
TO BUY BACK AND TO ISSUE SHARES**

**PROPOSED RE-ELECTION OF DIRECTORS**

**PROPOSED APPOINTMENT OF AUDITOR**

**NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 28 June 2018 at 4:15 p.m. is set out on pages 13 to 17 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting should you so wish and in such event, the form of proxy shall be deemed to be revoked.

27 April 2018

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 28 June 2018 at 4:15 p.m.
“AGM Notice”	the notice for convening the AGM as set out on pages 13 to 17 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 December 2017
“Board”	the board of Directors
“Buy-back Mandate”	a general mandate for the Board to exercise the powers of the Company to buy back Shares, details of which are set out in Ordinary Resolution no. 8
“Bye-laws”	the bye-laws of the Company as may be amended from time to time
“CEC”	China Electronics Corporation Limited, a state-owned enterprise established under the laws of the PRC and the ultimate controlling shareholder of the Company
“Company”	China Electronics Huada Technology Company Limited
“Director(s)”	the director(s) of the Company
“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 PRC
“Latest Practicable Date”	20 April 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ordinary Resolution(s)”	the ordinary resolution(s) as referred to in the AGM Notice

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## DEFINITIONS

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“PRC”	the People’s Republic of China
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Share Buyback Rules”	the relevant rules set out in the Listing Rules to regulate the buyback by companies listed on the main board of the Stock Exchange of their own securities
“Share Issue Mandate”	a general mandate for the Board to exercise the powers of the Company to allot, issue and deal with additional Shares, details of which are set out in Ordinary Resolution no. 9
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs published by the SFC, as amended or supplemented from time to time

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## LETTER FROM THE BOARD

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### CHINA ELECTRONICS HUADA TECHNOLOGY COMPANY LIMITED 中國電子華大科技有限公司

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 00085)**

*Non-executive Directors:*

Dong Haoran (*Chairman*)  
Liu Jinmei

*Executive Directors:*

Jiang Juncheng (*Deputy Chairman*)  
Liu Hongzhou (*Managing Director*)

*Independent Non-executive Directors:*

Chan Kay Cheung  
Qiu Hongsheng  
Chow Chan Lum

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal place of business  
in Hong Kong:*

Room 3403, 34th Floor  
China Resources Building  
26 Harbour Road  
Wanchai  
Hong Kong

27 April 2018

*To the Shareholders*

Dear Sir or Madam,

#### **PROPOSED GRANT OF GENERAL MANDATES TO BUY BACK AND TO ISSUE SHARES**

#### **PROPOSED RE-ELECTION OF DIRECTORS**

#### **PROPOSED APPOINTMENT OF AUDITOR**

#### **NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

At the AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the granting of the Buy-back Mandate and the Share Issue Mandate, (ii) the re-election of the retiring Directors and (iii) the appointment of auditor of the Company.

The purpose of this circular is to provide you with information regarding the proposed grant of the Buy-back Mandate and the Share Issue Mandate, the proposed re-election of the retiring Directors, and the proposed appointment of auditor of the Company and the AGM Notice.

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## LETTER FROM THE BOARD

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### **BUY-BACK MANDATE AND SHARE ISSUE MANDATE**

Ordinary resolutions will be proposed at the AGM to seek the approval of the Shareholders for the granting of the Buy-back Mandate and the Share Issue Mandate.

#### **Buy-back Mandate**

At the AGM, an ordinary resolution will be proposed that the Board be given an unconditional general mandate to buy back Shares on the Stock Exchange, or any other stock exchange on which the Shares may be listed and which is recognised by the SFC and the Stock Exchange for such purpose, of up to 10% of the number of the issued Shares as at the date of approval of the Buy-back Mandate. Details of the Buy-back Mandate are set out in Ordinary Resolution no. 8 of the AGM Notice.

As at the Latest Practicable Date, the Company had an aggregate of 2,029,872,000 Shares in issue. Subject to the passing of the ordinary resolution for the Buy-back Mandate and on the basis that no further Shares are issued or bought back between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 202,987,200 Shares.

An explanatory statement as required under the Share Buyback Rules, giving certain information regarding the Buy-back Mandate, is set out in the appendix to this circular.

#### **Share Issue Mandate**

At the AGM, an ordinary resolution will also be proposed that the Board be given an unconditional general mandate to allot, issue and deal with additional Shares of up to 20% of the number of the issued Shares as at the date of approval of the Share Issue Mandate.

An ordinary resolution will also be proposed to authorise the extension of the Share Issue Mandate by an addition thereto of the number of Shares bought back by the Company under the Buy-back Mandate (if granted).

Subject to the passing of the ordinary resolution for the Share Issue Mandate and on the basis that no further Shares are issued or bought back between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with a maximum of 405,974,400 Shares.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolutions no. 9 and 10 of the AGM Notice, respectively.

The Buy-back Mandate and the Share Issue Mandate shall continue to be in force from the date of passing of the ordinary resolutions for the Buy-back Mandate and the Share Issue Mandate until: (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 Bye-laws, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws to be held; or (iii) the revocation or variation of the Buy-back Mandate or the Share Issue Mandate (as the case may be) by ordinary resolution(s) of the Shareholders in general meeting, whichever occur first.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

Ms. Liu Jinmei was appointed as Director by the Board on 15 January 2018. Pursuant to Bye-law 86(2), Ms. Liu Jinmei will hold office only until the AGM and, being eligible, will offer herself for re-election at the AGM. In accordance with Bye-law 87, Mr. Chan Kay Cheung and Mr. Jiang Juncheng will retire by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM.

Ordinary resolutions will be proposed at the AGM to seek the approval of the Shareholders for the re-election of Ms. Liu Jinmei, Mr. Chan Kay Cheung and Mr. Jiang Juncheng as Director.

The biographical and other details of the Directors standing for re-election at the AGM are set out below:

**Ms. Liu Jinmei**, aged 48, is a non-executive Director. Ms. Liu graduated from Jilin University and holds a Bachelor's degree in Chinese Language and obtained a Master's degree of Business Administration from Beijing Institute of Technology. Ms. Liu is the assistant general manageress of Huada Semiconductor Co., Ltd ("Huada Semiconductor"), a controlling shareholder of the Company, a director of Shanghai Belling Corp., Ltd ("Shanghai Belling") (a company with its shares listing on the Shanghai Stock Exchange), and a director of Beijing Chipadvanced Technology Inc. (a company with its shares trading on the National Equities Exchange and Quotations in the PRC). Ms. Liu was the marketing strategy manageress of BOE Technology Group Co., Ltd and the marketing manageress of China Huaxu Golden Card Co., Ltd. Ms. Liu joined CEC Huada Electronic Design Co., Ltd ("Huada Electronics"), a wholly-owned subsidiary of the Company, in 2005 and was the marketing manageress of Huada Electronics. Ms. Liu was appointed Director in January 2018.

**Mr. Chan Kay Cheung**, aged 71, is an independent non-executive Director. Mr. Chan is the vice chairman of The Bank of East Asia (China) Limited. Mr. Chan was an executive director and the deputy chief executive of The Bank of East Asia, Limited. Mr. Chan joined The Bank of East Asia, Limited in 1965 and possesses extensive knowledge and experience in the banking industry. Mr. Chan is a fellow member of the Hong Kong Institute of Bankers, a member of the Committee of Overseers of Lee Woo Sing College, The Chinese University of Hong Kong, a member of The China Unionpay International Advisory Group and an international senior economic consultant of The People's Government of Shaanxi Province. Mr. Chan is also an independent non-executive director of Chu Kong Shipping Enterprises (Group) Company Limited, Dah Chong Hong Holdings Limited, Hong Kong Food Investment Holdings Limited and SOCAM Development Limited (all being companies with their shares listing on the Stock Exchange). Mr. Chan was appointed Director in May 1997.

Mr. Chan is an independent non-executive Director, the chairman of the audit committee and a member of the remuneration and nomination committee of the Board. Mr. Chan was appointed as an independent non-executive Director in May 1997 and has served as an independent non-executive Director for more than nine years. Mr. Chan has met the independence guidelines set out in Rule 3.13 of the Listing Rules and has provided an annual confirmation of his independence to the Company. As independent non-executive Director with in-depth understanding of the Group's operations and business, Mr. Chan has expressed objective views and given independent guidance to the Company over the years. The Board considers that serving as an independent non-executive Director for more than nine years will not affect Mr. Chan's independence and is satisfied that Mr. Chan has the required character, integrity and experience to continue fulfilling the role of independent non-executive director. The Board, therefore, considers Mr. Chan to be independent and believes he should be re-elected.

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## LETTER FROM THE BOARD

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**Mr. Jiang Juncheng**, aged 42, is the Deputy Chairman of the Board and an executive Director. Mr. Jiang graduated from the Central University of Finance and Economics and holds a Bachelor's degree in Accounting and received a Master's degree in Professional Accounting, and also obtained an Executive Master's degree of Business Administration from School of Economics and Management of Tsinghua University. Mr. Jiang is a senior accountant, a Certified Public Accountant in the PRC and a Certified Public Valuer in the PRC. Mr. Jiang is the chief accountant of Huada Semiconductor and the chairman of the supervisory committee of Shanghai Belling (a company with its shares listing on the Shanghai Stock Exchange). Mr. Jiang joined Huada Electronics in 2002 and was the deputy general manager and financial controller of Huada Electronics. Mr. Jiang possess a wealth of experience in finance and corporate management. Mr. Jiang was appointed Director in January 2016.

None of Ms. Liu Jinmei, Mr. Chan Kay Cheung or Mr. Jiang Juncheng has entered into any service contract with the Company which provides for a specified length of service. Each of Ms. Liu Jinmei, Mr. Chan Kay Cheung and Mr. Jiang Juncheng will be subject to retirement by rotation and re-election under the Bye-laws and the Listing Rules. Mr. Chan Kay Cheung received an annual director fee of HK\$200,000 for the year ended 31 December 2017. Ms. Liu Jinmei and Mr. Jiang Juncheng will not receive any remuneration from the Group. Ms. Liu Jinmei and Mr. Jiang Juncheng will be entitled to discretionary bonus, as determined with reference to their duties, responsibilities and to the prevailing market conditions.

Save as disclosed above, none of Ms. Liu Jinmei, Mr. Chan Kay Cheung or Mr. Jiang Juncheng has any relationship with any Directors, senior management, or substantial or controlling Shareholders. As of the Latest Practicable Date, Ms. Liu Jinmei had personal interest (long position) in 197,250 Shares (representing 0.01% of the issued share capital of the Company) and Mr. Jiang Juncheng had personal interest (long position) in 1,139,420 Shares (representing 0.06% of the issued share capital of the Company). Save as disclosed herein, none of Ms. Liu Jinmei, Mr. Chan Kay Cheung or Mr. Jiang Juncheng has any interest in the Shares within the meaning of Part XV of the SFO.

Except as disclosed in the biographical details above, none of Ms. Liu Jinmei, Mr. Chan Kay Cheung or Mr. Jiang Juncheng has held any directorship in any other listed public companies in the past three years.

None of Ms. Liu Jinmei, Mr. Chan Kay Cheung or Mr. Jiang Juncheng has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

Save as disclosed herein, there is no other matter relating to the re-election of Ms. Liu Jinmei, Mr. Chan Kay Cheung or Mr. Jiang Juncheng that needs to be brought to the attention of the Shareholders, nor is there any other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.



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## LETTER FROM THE BOARD

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### APPOINTMENT OF AUDITOR OF THE COMPANY

According to the relevant regulations issued by the Ministry of Finance of the PRC and the State-owned Assets Supervision and Administration Commission of the State Council of the PRC regarding the audit work on financial statements of state-owned enterprises, there are restrictions in respect of the number of years of audit services that an accounting firm can continuously provide to a state-owned enterprise and its subsidiaries (the “Auditor Rotation Requirements”). The Company is a subsidiary of CEC which is a state-owned enterprise. Since the number of years that the Company has continuously engaged its existing auditor, PricewaterhouseCoopers, has reached the prescribed time limit, PricewaterhouseCoopers will retire as auditor of the Company with effect from the close of the AGM and the Company will not re-appoint them due to the Auditor Rotation Requirements.

The Board resolved, with the recommendation of the audit committee, to propose the appointment of Ernst & Young as the auditor of the Company for the year ending 31 December 2018 and such appointment is subject to the approval of the Shareholders at the AGM.

The Board is not aware of any disagreement between PricewaterhouseCoopers and the Company. PricewaterhouseCoopers has not issued any confirmation on whether there are any matters that need to be brought to the attention of the Shareholders regarding its retirement at the AGM, due to the Company being incorporated in the Cayman Islands and continued in Bermuda and Bermuda law does not require such confirmation from a retiring auditor. Save as disclosed herein, the Board has confirmed that there is no other matter relating to the proposed change of auditor of the Company that needs to be brought to the attention of the Shareholders.

An ordinary resolution will be proposed at the AGM to seek the approval of the Shareholders for the appointment of Ernst & Young as the auditor of the Company for the year ending 31 December 2018 and to authorise the Board to fix its remuneration.

### BOOK CLOSURE PERIODS

Shareholders whose names appear on the register of members of the Company at the close of business on 25 June 2018 will be entitled to attend and vote at the AGM. The register of members of the Company will be closed from 25 June 2018 to 28 June 2018 (both days inclusive), during which period no transfer of Shares will be registered.

In order to be entitled to attend and vote at the AGM, all share certificates with completed transfer forms must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on 22 June 2018.

Shareholders whose names appear on the register of members of the Company at the close of business on 13 July 2018 will be entitled to the dividend. The register of members of the Company will be closed from 11 July 2018 to 13 July 2018 (both days inclusive), during which period no transfer of Shares will be registered.

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## LETTER FROM THE BOARD

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In order to qualify for the dividend, all share certificates with completed transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 10 July 2018.

### AGM

A notice convening the AGM to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 28 June 2018 at 4:15 p.m. is set out on pages 13 to 17 of this circular. At the AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, the granting of the Buy-back Mandate and the Share Issue Mandate, the re-election of the retiring Directors and the appointment of auditor of the Company. Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

### RECOMMENDATION

The Board considers the granting of the Buy-back Mandate and the Share Issue Mandate, the re-election of the retiring Directors and the appointment of auditor of the Company are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully

For and on behalf of the Board

**China Electronics Huada Technology Company Limited**

**Dong Haoran**

*Chairman*

## **1 LISTING RULES**

The Listing Rules permit listed companies to buy back their own shares on the Stock Exchange or any other stock exchange on which their shares may be listed and which is recognised by the SFC and the Stock Exchange for such purpose, subject to certain restrictions. This appendix serves as an explanatory statement, as required by the Share Buyback Rules to be sent to the Shareholders in connection with the proposed grant of the Buy-back Mandate, to provide the requisite information to the Shareholders for their consideration of the Buy-back Mandate.

## **2 REASONS FOR SHARE BUY-BACKS**

The Board believes that it is in the interests of the Company and the Shareholders as a whole for the Board to have a general authority from the Shareholders to enable the Company to buy back Shares in the market when appropriate and beneficial to the Company. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Buy-backs of Shares will only be made when the Board believes that such buy-backs will benefit the Company and the Shareholders as a whole.

## **3 SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,029,872,000 Shares. Subject to the passing of the ordinary resolution for the Buy-back Mandate and on the basis that no further Shares are issued or bought back between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 202,987,200 Shares, representing not more than 10% of the number of the issued Shares as at the date of the AGM.

## **4 FUNDING OF BUY-BACKS**

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of continuance and the Bye-laws, the Listing Rules and the applicable laws of Bermuda. The Board proposes that buy-backs of Shares under the Buy-back Mandate in these circumstances would be financed by available cash flow or working capital facilities of the Group. The Company may not buy back its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements of the Group for the year ended 31 December 2017 contained in the Annual Report) in the event that the Buy-back Mandate is exercised in full at any time during the period within which the Buy-back Mandate can be exercised. However, the Board does not intend to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing level of the Company which, in the opinion of the Board, are from time to time appropriate for the Company.

## 5 SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months immediately preceding the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2017</b>		
April	1.65	1.44
May	1.54	1.38
June	1.42	1.18
July	1.25	1.08
August	1.18	1.03
September	1.65	1.07
October	1.57	1.35
November	1.81	1.37
December	1.43	1.25
<b>2018</b>		
January	1.56	1.28
February	1.33	1.10
March	1.28	1.13
April (up to and including the Latest Practicable Date)	1.41	1.10

**6 BOARD'S UNDERTAKING**

The Board has undertaken to the Stock Exchange that it will exercise the Buy-back Mandate in accordance with the memorandum of continuance of the Company and the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

**7 TAKEOVERS CODE IMPLICATION**

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

As at the Latest Practicable Date, according to the register maintained by the Company under Section 336 of the SFO, CEC, through its wholly-owned subsidiaries, Huada Semiconductor was interested in 1,206,180,000 Shares, representing 59.42% of the issued share capital of the Company. In the event that the Board exercised in full the power to buy back Shares under the Buy-back Mandate and assuming the present shareholdings remain the same, the interest of CEC and parties acting in concert with it would be increased from 59.42% to 66.02% of the issued share capital of the Company immediately after the exercise in full of the Buy-back Mandate. The Board is not aware of any consequences which may arise under the Takeovers Code if the Buy-back Mandate is exercised in full.

**8 GENERAL**

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that it/he has a present intention to sell Shares to the Company, nor has any undertaken not to do so, if the Buy-back Mandate is approved by the Shareholders at the AGM.

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 Shares to the Company if the Buy-back Mandate is approved by the Shareholders at the AGM.

**9 BUY-BACK OF SHARES BY THE COMPANY**

The Company had not bought back any Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

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## NOTICE OF AGM

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华大科技

HUADA TECHNOLOGY

**CHINA ELECTRONICS HUADA TECHNOLOGY COMPANY LIMITED**

**中國電子華大科技有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 00085)**

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “Meeting”) of China Electronics Huada Technology Company Limited (the “Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 28 June 2018 at 4:15 p.m. for the following purposes:

1. to receive and consider the audited consolidated financial statements and the reports of the directors and of the independent auditor for the year ended 31 December 2017;
2. to declare a dividend of HK3 cents per share for the year ended 31 December 2017;
3. to re-elect Ms. Liu Jinmei as a director of the Company;
4. to re-elect Mr. Chan Kay Cheung as a director of the Company;
5. to re-elect Mr. Jiang Juncheng as a director of the Company;
6. to authorise the directors of the Company to fix the directors’ remuneration;
7. to appoint Ernst & Young as the independent auditor of the Company and to authorise the directors of the Company to fix its remuneration; and

to consider, as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

8. **“THAT:**
  - (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), or any other stock exchange on which the shares of

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## NOTICE OF AGM

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the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable rules and regulations of the Securities and Futures Commission of Hong Kong and the Stock Exchange or of any other stock exchange, the memorandum of continuance and the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) and all other applicable laws in this regard as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the number of shares of the Company which may be bought back by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the number of the issued shares of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”



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## NOTICE OF AGM

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9. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers during or after the end of the Relevant Period be and is hereby generally and unconditionally approved;
- (b) the number of shares of the Company allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) an issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities which carry rights to subscribe for or are convertible into shares of the Company or (iii) an issue of shares upon the exercise of subscription rights of any options granted under any option scheme or similar arrangement for the time being adopted for the issue of shares or grant of rights to acquire shares of the Company or (iv) an issue of shares pursuant to any scrip dividend or similar arrangement in accordance with the memorandum of continuance and the bye-laws of the Company, shall not exceed the aggregate of:
  - (aa) 20% of the number of the issued shares of the Company as at the date of the passing of this resolution; and
  - (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of shares of the Company bought back by the Company subsequent to the passing of this resolution of up to 10% of the number of the issued shares of the Company as at the date of the passing of ordinary resolution no. 8 in the notice convening the Meeting,

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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## NOTICE OF AGM

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(c) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the rights to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company, or any class of securities of the Company, whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company who are entitled to the offer) on a fixed record date in proportion to their holdings of such shares (or, where appropriate, such other securities) as at that date (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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong which are applicable to the Company).”

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## NOTICE OF AGM

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10. “**THAT** subject to the ordinary resolutions no. 8 and 9 in the notice convening the Meeting being duly passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares in the Company pursuant to ordinary resolution no. 9 in the notice convening the Meeting be and is hereby extended by the addition thereto of the number of shares of the Company bought back by the Company under the authority granted pursuant to ordinary resolution no. 8 in the notice convening the Meeting, provided that such number shall not exceed 10% of the number of the issued shares of the Company as at the date of the passing of this resolution.”

By Order of the Board  
**China Electronics Huada Technology Company Limited**  
**Ng Kui Kwan**  
*Company Secretary*

Hong Kong, 27 April 2018

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal place of business in Hong Kong:*  
Room 3403, 34th Floor  
China Resources Building  
26 Harbour Road  
Wanchai  
Hong Kong

*Notes:*

1. The register of members of the Company will be closed from 25 June 2018 to 28 June 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be entitled to attend and vote at the Meeting, all share certificates with completed transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 22 June 2018.
2. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a shareholder of the Company but must be present in person at the Meeting to represent the shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and returned together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the Meeting or any adjournment thereof, should he so wish and in such event, the form of proxy shall be deemed to be revoked.
4. In the case of joint registered holders of any shares, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the Meeting, either personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company in respect of the joint holding shall alone be entitled to vote in respect thereof.