



CHINA ELECTRONICS CORPORATION HOLDINGS COMPANY LIMITED

中國電子集團控股有限公司*

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

(Stock Code: 00085)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of the shareholders of China Electronics Corporation Holdings Company Limited (the “**Company**”) will be held at Plaza I-III, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 21 July 2008 at 3:00 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT** the conditional equity transfer agreement dated 20 June 2008 and entered into between the Company as purchaser and 中國華大集成電路設計集團有限公司 (China Huada Integrated Circuit Design (Group) Co., Ltd.) (“**China Hua Da**”) as vendor (the “**China Hua Da Agreement**”, a copy of which has been initialled by the chairman of this meeting and for the purpose of identification marked “A”), pursuant to which the Company has agreed to purchase, and China Hua Da has agreed to sell, a 64.75% equity interest of 北京中電華大電子設計有限公司 (CEC Huada Electronic Design Co., Ltd.) (“**Hua Da Electronics**”) at a consideration of HK\$984.20 million, which consideration shall be satisfied by the allotment and issue of 393,680,000 new shares (the “**China Hua Da Consideration Shares**” and each a “**China Hua Da Consideration Share**”) of HK\$0.01 each in the share capital of the Company, credited as fully paid, at an issue price of HK\$2.50 per China Hua Da Consideration Share to China Hua Da and that such China Hua Da Consideration Shares shall, when allotted and issued, rank pari passu in all respects with all other shares of the Company in issue as at the date of such allotment and issue, be and is hereby generally and unconditionally approved and any one director of the Company be and is hereby authorised to do all such further acts and things and execute all such further documents and take all such steps which he considers necessary, desirable or expedient to implement and/or give effect to the terms of the China Hua Da Agreement and the transactions contemplated thereunder.”
2. **“THAT** the conditional equity transfer agreement dated 20 June 2008 and entered into between the Company as purchaser and 北京首發信安數據系統科技有限公司 (Beijing Shoufa Xinan Data System Technology Company Limited) (“**Beijing Shoufa Xinan**”) as vendor (the “**Beijing Shoufa Xinan Agreement**”, a copy of which has been initialled by the chairman of this meeting and for the purpose of identification marked “B”), pursuant to which the Company has agreed to purchase, and Beijing Shoufa Xinan has agreed to sell, a 7.50% equity interest of Hua Da Electronics at a consideration of HK\$114 million, which consideration shall be satisfied by the allotment and issue of 45,600,000 new shares (the “**Beijing Shoufa Xinan Consideration Shares**” and each a “**Beijing Shoufa Xinan Consideration Share**”) of HK\$0.01 each in the share capital of the Company, credited as fully paid, at an issue price of HK\$2.50 per Beijing Shoufa Xinan Consideration Share to Beijing Shoufa Xinan and that such Beijing

Shoufa Xinan Consideration Shares shall, when allotted and issued, rank pari passu in all respects with all other shares of the Company in issue as at the date of such allotment and issue, be and is hereby generally and unconditionally approved and any one director of the Company be and is hereby authorised to do all such further acts and things and execute all such further documents and take all such steps which he considers necessary, desirable or expedient to implement and/or give effect to the terms of the Beijing Shoufa Xinan Agreement and the transactions contemplated thereunder.”

3. **“THAT** the conditional equity transfer agreement dated 20 June 2008 and entered into between the Company as purchaser and Wang Qinsheng, Liu Weiping, Dong Haoran, Huang Guoyong, Sun Xiaonian, Cheng Jing, Xiao Gang and Jiang Shiping (collectively the **“Other Vendors”**) as vendors (the **“Other Vendors Agreement”**, a copy of which has been initialled by the chairman of this meeting and for the purpose of identification marked **“C”**), pursuant to which the Company has agreed to purchase, and the Other Vendors has agreed to sell, an aggregate of 27.75% equity interest of Hua Da Electronics at an aggregate consideration of HK\$421.80 million, which consideration shall be satisfied by the allotment and issue of an aggregate of 168,720,000 new shares (the **“Other Vendors Consideration Shares”** and each a **“Other Vendors Consideration Share”**) of HK\$0.01 each in the share capital of the Company, credited as fully paid, at an issue price of HK\$2.50 per Other Vendors Consideration Share to the Other Vendors in accordance with the terms of the Other Vendors Agreement and that such Other Vendors Consideration Shares shall, when allotted and issued, rank pari passu in all respects with all other shares of the Company in issue as at the date of such allotment and issue, be and is hereby generally and unconditionally approved and any one director of the Company be and is hereby authorised to do all such further acts and things and execute all such further documents and take all such steps which he considers necessary, desirable or expedient to implement and/or give effect to the terms of the Other Vendors Agreement and the transactions contemplated thereunder.”
4. **“THAT** the continuing connected transactions contemplated under the business services agreement dated 20 June 2008 and entered into between Hua Da Electronics and 中國電子信息產業集團公司 (China Electronics Corporation), a copy of which has been initialled by the chairman of this meeting and for the purpose of identification marked **“D”**, and the proposed annual caps be and are hereby generally and unconditionally approved and any one director of the Company be and is hereby authorised to do all such further acts and things and execute all such further documents and take all such steps which he considers necessary, desirable or expedient to implement and/or give effect to the terms of the continuing connected transactions contemplated thereunder.”

By Order of the Board
China Electronics Corporation Holdings Company Limited
Yam Pui Hung, Robert
Company Secretary

Hong Kong, 30 June 2008

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

Principal place of business in Hong Kong:
Room 3503, 35th Floor
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

Notes:

1. 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.
2. 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 in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less 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 in person and voting at the meeting or any adjournment thereof, should he so wish.
3. In the case of joint holders of any shares, any one of such holders may vote at the meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders are present at the meeting 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 such shares shall alone be entitled to vote in respect thereof.
4. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, voting on the above ordinary resolutions will be taken by poll.

As at the date of this announcement, the Board comprises two Non-executive Directors, namely Xiong Qunli (Chairman) and Tong Baoan (Vice Chairman); two Executive Directors, namely Fan Qingwu (Managing Director) and Hua Longxing; and three Independent Non-executive Directors, namely Chan Kay Cheung, Wong Po Yan and Yin Yongli.

* *For identification purpose only*