

NATIONAL ELECTRONICS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 213)

APPOINTMENT OF EXECUTIVE DIRECTOR

The board of directors (“Board”) of National Electronics Holdings Limited (“Company”, together with its subsidiaries, “Group”) is pleased to announce that Mr. Lee Loewe Bon Chi (“Mr. Loewe Lee”) was appointed as an executive director of the Company with effect from 22 May 2007.

Mr. Loewe Lee, aged 27, graduated from Harvard University and obtained a bachelor of arts degree with honors in economics. He joined the Group in July 2005 and is responsible for overseeing the overall operations of the watch components trading division as well as property development and investment division. He is also a director of certain subsidiaries of the Company. Prior to joining the Group, he was an investment banker at JP Morgan in New York. Mr. Loewe Lee has not held any directorship in any listed public company in the last three years.

There is no service contract executed by the Company with Mr. Loewe Lee nor any specified length or proposed length of service with the Company in respect of the aforesaid appointment of Mr. Loewe Lee. Mr. Loewe Lee has an employment contract with a subsidiary of the Company which can be terminated by either party giving to other party 1 month’s written notice without payment of compensation (other than statutory compensation). Mr. Loewe Lee is entitled to receive a monthly salary of HK\$160,000 and a discretionary bonus. The emolument of Mr. Loewe Lee is determined by the Board with reference to his experience and duty as well as the prevailing market conditions.

Mr. Loewe Lee is subject to retirement by rotation and re-election at each annual general meeting of the Company in accordance with the Bye-laws of the Company. Under the Bye-laws of the Company, Mr. Loewe Lee will hold office as a director until the next following annual general meeting of the Company and will then be eligible for re-election at such meeting.

As at the date of this announcement, Mr. Loewe Lee is interested in 253,106,873 shares of the Company representing approximately 24.50% of the issued share capital of the Company. Save as disclosed, Mr. Loewe Lee does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. He is the son of Mr. Lee Yuen Ching, Jimmy (Chairman) and the nephew of Mr. Lee Yuen Kui, James (Managing Director), Mr. Lee Yuen Cheor, Edward (Executive Director), Mr. Lee Yuen Wong, Peter (Executive Director) and Ms. Lee Yuen Yu, Dorothy (Non-executive Director). Save as disclosed, Mr. Loewe Lee has no other relationships with any directors, senior management or substantial or controlling shareholders of the Company. There is no other information required to be disclosed pursuant to Rule 13.51 (2)(h) to (w) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board takes this opportunity to welcome Mr. Loewe Lee on his joining the Board.

By Order of the board
National Electronics Holdings Limited
Lee Yuen Ching Jimmy
Chairman

Hong Kong, 22 May 2007

As at the date of this announcement, the executive Directors of the Company are Mr. Lee Yuen Ching, Jimmy, Mr. Lee Yuen Kui, James, Mr. Lee Yuen Wong, Peter, Mr. Lee Yuen Cheor, Edward and Mr. Wai Kwong Yuen, Ricky, the non-executive Director of the Company is Miss Lee Yuen Yu, Dorothy and the independent non-executive Directors are Dr. Samson Sun, M.B.E., J.P., Mr. Chan Chak Cheung, William and Mr. Chan Kwok Wai.