

NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

UNUSUAL MOVEMENTS IN PRICE AND TRADING VOLUME OF THE SHARES OF THE COMPANY

The Board has noted today an increase in the price and an increase in the trading volume of the shares of the Company and wishes to state that it is not aware of any reasons for such increases.

The Group is in discussions with a vendor on the terms and conditions of a possible acquisition of a property interest in Canada of approximately CAD 5 million. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, such vendor is a third party independent of the Company and its connected persons (as defined under the Listing Rules)

This announcement is made at the request of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**").

The board ("**Board**") of directors ("**Directors**") of National Electronics Holdings Limited ("**Company**") has noted today an increase in the price and an increase in the trading volume of the shares of the Company. The Board wishes to state that it is not aware of any reasons for such increases.

The Company and its subsidiaries ("**Group**") are in discussions with a vendor on the terms and conditions of a possible acquisition of a property interest in Canada of approximately CAD 5 million. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, such vendor is a third party independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**"). As at the date hereof, no formal binding agreement has been entered into and the timetable, terms and conditions of the aforesaid possible acquisition are yet to be agreed. The aforesaid possible acquisition may or may not materialize and may or may not be a notifiable transaction depending on the terms to be agreed. Further announcement will be made by the Company as and when appropriate in accordance with the Listing Rules.

The Board also confirms that, save as disclosed above, there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

By order of the Board
National Electronics Holdings Limited
Lee Yuen Ching, Jimmy
Chairman

Hong Kong, 13th July, 2007

As at the date of this announcement, the executive directors are Mr. Lee Yuen Ching, Jimmy, Mr. Lee Yuen Kui, James, Mr. Lee Bon Chi, Loewe, Mr. Lee Yuen Cheor, Edward and Mr. Wai Kwong Yuen, Ricky, the non-executive director is Ms. Lee Yuen Yu, Dorathy 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.