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NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

MAJOR TRANSACTION

Reference is made to the announcements of the Company dated 21 April 2011 and 3 June 2011 in relation to, among other things, the disposal of:

- (a) the JVCo2 Sale Shares, representing 73% of the total issued share capital of JVCo2. JVCo2 owns all the shares of Batilone which in turn owns the JVCo2 Property; and
- (b) the JVCo3 Sale Shares, representing 73% of the total issued share capital of JVCo3. JVCo3 owns all the shares of Asiatic and Lens which in turn owns the JVCo3 Property.

The Board is pleased to announce that on 28 April 2014, the Company (through its wholly-owned subsidiaries) entered into agreements to, among other things, repurchase the JVCo2 Sale Shares and the JVCo3 Sale Shares.

Pursuant to Rule 14.22 of the Listing Rules, the JVCo2 Acquisition and the JVCo3 Acquisition shall be aggregated in the calculation of the percentage ratios (as defined in the Listing Rules). As the relevant percentage ratios on an aggregate basis exceed 25% but are less than 100%, the Acquisitions constitute a major transaction of the Company and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. Further, the payment of the Initial Deposits will, in and of itself, constitute a major transaction of the Company that is subject to the above requirements.

The Company has obtained a written approval from Brentford Investments Limited, which held 237,102,979 Shares as at the date of this announcement (representing approximately 25.21% of the issued share capital of the Company), and from Fenmore Investments Limited, which held 250,637,835 Shares as at the date of this announcement (representing approximately 26.65% of the issued share

capital of the Company), for the approval of the transactions contemplated under the Documents (including but not limited to the Acquisitions and the payment of the Initial Deposits and Further Deposits). As such no general meeting will be convened by the Company to approve the Acquisitions or the payment of the Initial Deposits and Further Deposits.

A circular containing, among other things, further details on the Acquisitions and valuation reports for the JVCo2 Property and the JVCo3 Property will be despatched to Shareholders as soon as practicable, and in any event, on or before 21 May 2014 in accordance with the requirements of the Listing Rules.

(I) INTRODUCTION

Reference is made to the announcements of the Company dated 21 April 2011 and 3 June 2011 in relation to, among other things, the disposal of the JVCo2 Sale Shares and the JVCo3 Sale Shares. The Board is pleased to announce that on 28 April 2014, the Company (through its wholly-owned subsidiaries) entered into agreements to, among other things, repurchase the JVCo2 Sale Shares and the JVCo3 Sale Shares.

(II) JVCO2 AGREEMENT

Date: 28 April 2014

Parties:

JVCo2 Seller: GCPF Cayman Holding 10 Corp., an investment holding company and a wholly-owned subsidiary of a real estate fund which is the same fund that owns JVCo3 Seller

JVCo2 Purchaser: Verde Group Limited, an wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, JVCo2 Seller and its ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

Pursuant to the JVCo2 Agreement, JVCo2 Seller agreed to sell the JVCo2 Sale Shares, and assign the benefit of the JVCo2 Shareholder Loan, to JVCo2 Purchaser for a total consideration of HK\$219,347,587. The JVCo2 Sale Shares represent 73% of the total issued share capital of JVCo2. JVCo2 owns all the shares of Batilone, which in turn owns the JVCo2 Property.

Consideration and payment terms

The total consideration for the JVCo2 Acquisition is HK\$219,347,587, which will be satisfied by payment of an equivalent amount in United States dollars to JVCo2 Seller in the following manner:

- (a) the JVCo2 Initial Deposit, which represents 60% of the JVCo2 Consideration, will be paid to JVCo2 Seller upon the signing of the JVCo2 Agreement (such amount has already been paid by JVCo2 Purchaser to JVCo2 Seller after the Company's receipt of the Shareholders' Approval);
- (b) the JVCo2 Further Deposit, which represents 30% of the JVCo2 Consideration, will be paid to JVCo2 Seller on or before 27 August 2014; and
- (c) the balance of the JVCo2 Consideration, being HK\$21,934,759 and representing 10% of the JVCo2 Consideration, will be paid to JVCo2 Seller on the JVCo2 Completion Date.

If JVCo2 Purchaser is in breach of its obligations under (b) above, then JVCo2 Seller may by notice to JVCo2 Purchaser terminate the JVCo2 Agreement.

The JVCo2 Consideration was determined after arm's length negotiation between the Parties with reference to, among other things, the value of JVCo2 Property. The Directors consider that the JVCo2 Consideration is fair and reasonable and in the interests of the Company and Shareholders as a whole.

Completion

Completion of the JVCo2 Acquisition is expected to take place on the JVCo2 Completion Date. Upon completion of the JVCo2 Acquisition, JVCo2 will become a wholly-owned subsidiary of JVCo2 Purchaser.

Conditions precedent

Completion of the JVCo2 Acquisition is conditional upon the passing of all necessary resolutions or approvals by the Shareholders approving the transactions contemplated under the JVCo2 Agreement and JVCo2 Other Documents, and the compliance by JVCo2 Purchaser and the Company with the Listing Rules, where applicable, on or before the JVCo2 Longstop Date.

The JVCo2 Purchaser will use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the above condition precedent as soon as reasonably practicable and in any event before the JVCo2 Longstop Date.

If the condition above has not been satisfied on or before the JVCo2 Longstop Date then JVCo2 Purchaser may on that date, at its option (but without prejudice to any other right or remedy it may have): (i) postpone the JVCo2 Longstop Date to a date (being a Business Day) as may be agreed between the Parties in writing; or (ii) terminate the JVCo2 Agreement. If the Parties are unable to agree on a revised JVCo2 Longstop Date, then JVCo2 Seller may by notice to JVCo2 Purchaser terminate the JVCo2 Agreement. If the Parties are unable to mutually agree on the postponement or termination options above, then either of the Parties may by notice to the other terminate the JVCo2 Agreement.

Termination and refund/forfeiture of JVCo2 Deposit

If the JVCo2 Agreement is terminated:

- (a) by JVCo2 Purchaser due to non-compliance by JVCo2 Seller of its completion obligations, or breach of the JVCo2 Seller's warranties, then the JVCo2 Deposit together with all interest accrued thereon shall be returned to JVCo2 Purchaser upon such termination; or
- (b) (i) by JVCo2 Seller due to non-compliance by JVCo2 Purchaser of its completion obligations or failure of JVCo2 Purchaser to pay the JVCo2 Further Deposit or failure by the Parties to mutually agree on a revised JVCo2 Longstop Date; or (ii) by JVCo2 Purchaser due to a failure to satisfy (or failure to mutually agree to postpone) the Shareholders' approval condition above, then the JVCo2 Deposit together with all interest accrued thereon shall be forfeited and kept by JVCo2 Seller upon such termination.

(III) JVCO3 AGREEMENT

Date: 28 April 2014

Parties:

JVCo3 Seller: GCPF Cayman Holding 11 Corp., an investment holding company and a wholly-owned subsidiary of a real estate fund which is the same fund that owns JVCo2 Seller

JVCo3 Purchaser: Seafield Capital Limited, an wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, JVCo3 Seller and its ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

Pursuant to the JVCo3 Agreement, JVCo3 Seller agreed to sell the JVCo3 Sale Shares to JVCo3 Purchaser for a total consideration of HK\$258,647,172. The JVCo3 Sale Shares represent 73% of the total issued share capital of JVCo3. JVCo3 owns all the shares of each of Asiatic and Lens, which in turn own the JVCo3 Property.

Consideration and payment terms

The total consideration for the JVCo3 Sale Shares is HK\$258,647,172, which will be satisfied by payment of an equivalent amount in United States dollars to JVCo3 Seller in the following manner:

- (a) the JVCo3 Initial Deposit, which represents 60% of the JVCo3 Consideration, will be paid to JVCo3 Seller upon signing of the JVCo3 Agreement (such amount has already been paid by JVCo3 Purchaser to JVCo2 Seller after the Company's receipt of the Shareholders' Approval);
- (b) the JVCo3 Further Deposit, which represents 30% of the JVCo3 Consideration, will be paid to JVCo3 Seller on or before 27 May 2014; and
- (c) the balance of the JVCo3 Consideration, being HK\$25,864,717 and representing 10% of the JVCo3 Consideration, will be paid to JVCo3 Seller on the JVCo3 Completion Date.

If JVCo3 Purchaser is in breach of its obligations under (b) above, then JVCo3 Seller may by notice to JVCo3 Purchaser terminate the JVCo3 Agreement.

The JVCo3 Consideration was determined after arm's length negotiation between the Parties with reference to, among other things, the value of JVCo3 Property. The Directors consider that the JVCo3 Consideration is fair and reasonable and in the interests of the Company and Shareholders as a whole.

Completion

Completion of the JVCo3 Acquisition is expected to take place on the JVCo3 Completion Date. Upon completion of the JVCo3 Acquisition, JVCo3 will become a wholly-owned subsidiary of JVCo3 Purchaser.

Conditions precedent

Completion of the JVCo3 Acquisition is conditional upon the passing of all necessary resolutions or approvals by the Shareholders approving the transactions contemplated under the JVCo3 Agreement and JVCo3 Other Document, and the compliance by JVCo3 Purchaser and the Company with the Listing Rules, where applicable, on or before the JVCo3 Longstop Date.

The JVCo3 Purchaser will use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the above condition precedent as soon as reasonably practicable and in any event before the JVCo3 Longstop Date.

If the condition above has not been satisfied on or before the JVCo3 Longstop Date then JVCo3 Purchaser may on that date, at its option (but without prejudice to any other right or remedy it may have): (i) postpone the JVCo3 Longstop Date to a date (being a Business Day) as may be agreed between the Parties in writing; or (ii) terminate the JVCo3 Agreement. If the Parties are unable to agree on a revised JVCo3 Longstop Date, then JVCo3 Seller may by notice to JVCo3 Purchaser terminate the JVCo3 Agreement. If the Parties are unable to mutually agree on the postponement or termination options above, then either of the Parties may by notice to the other terminate the JVCo3 Agreement.

Termination and refund/forfeiture of JVCo3 Deposit

If the JVCo3 Agreement is terminated:

- (a) by JVCo3 Purchaser due to non-compliance by JVCo3 Seller of its completion obligations, or breach of the JVCo3 Seller's warranties, then the JVCo3 Deposit together with all interest accrued thereon shall be returned to JVCo3 Purchaser upon such termination; or
- (b) (i) by JVCo3 Seller due to non-compliance by JVCo3 Purchaser of its completion obligations or failure of JVCo3 Purchaser to pay the JVCo3 Further Deposit or failure by the Parties to mutually agree on a revised JVCo3 Longstop Date; or (ii) by JVCo3 Purchaser due to a failure to satisfy (or failure to mutually agree to postpone) the Shareholders' approval condition above, then the JVCo3 Deposit together with all interest accrued thereon shall be forfeited and kept by JVCo3 Seller upon such termination.

FINANCIAL INFORMATION OF THE JVCO2 GROUP AND JVCO3 GROUP

A summary of the unaudited consolidated financial information of the JVCo2 Group and JVCo3 Group prepared in accordance with Hong Kong Financial Reporting Standards is as follows:

	Net gain before taxation and extraordinary items for the year ended 31 December 2012 <i>HK\$ million</i>	Net gain after taxation and extraordinary items for the year ended 31 December 2012 <i>HK\$ million</i>	Net gain before taxation and extraordinary items for the year ended 31 December 2013 <i>HK\$ million</i>	Net gain after taxation and extraordinary items for the year ended 31 December 2013 <i>HK\$ million</i>
JVCo2 Group	11.94	11.94	1.89	1.89
JVCo3 Group	30.19	30.19	4.15	4.15

According to the unaudited consolidated financial statements of the JVCo2 Group, the net asset value of the JVCo2 Group as at 31 December 2013 was approximately HK\$167.63 million. According to the unaudited financial statements of JVCo2, the net asset value of JVCo2 as at 31 December 2013 was approximately HK\$108.16 million.

According to the unaudited consolidated financial statements of the JVCo3 Group, the net asset value of the JVCo3 Group as at 31 December 2013 was approximately HK\$212.72 million. According to the unaudited financial statements of JVCo3, the net asset value of JVCo3 as at 31 December 2013 was approximately HK\$120.42 million.

The above figures for these items are unaudited. The audited figures for these items, which will be separately published in the circular to be despatched to Shareholders in relation to the Acquisitions, could be different from the unaudited figures.

DOCUMENTS ENTERED INTO IN CONNECTION WITH THE ACQUISITIONS

(a) ASSIGNMENT OF JVCO2 SHAREHOLDER LOAN

In consideration of the payment of the JVCo2 Consideration, an assignment of shareholder loan will be entered into between JVCo2 Seller and JVCo2 Purchaser on

the same date as the JVCo2 Agreement, pursuant to which JVCo2 Seller will assign and transfer to JVCo2 Purchaser all of its rights, title, benefits and interests in the JVCo2 Shareholder Loan free from all claims, charges, liens, encumbrances, option and equities of any kind whatsoever with effect from the JVCo2 Completion Date.

**(b) DEED OF TERMINATION OF JVCO2 SHAREHOLDERS' AGREEMENT
AND DEED OF TERMINATION OF JVCO3 SHAREHOLDERS'
AGREEMENT**

In connection with the entering into of the JVCo2 Agreement, the parties to the JVCo2 Shareholders' Agreement will, on the same date as the JVCo2 Agreement, enter into a deed to terminate the JVCo2 Shareholders' Agreement with effect from the JVCo2 Completion Date.

Also, in connection with the entering into of the JVCo3 Agreement, the parties to the JVCo3 Shareholders' Agreement will, on the same date as the JVCo3 Agreement, enter into a deed to terminate the JVCo3 Shareholders' Agreement with effect from the JVCo3 Completion Date.

(c) DEED OF TERMINATION OF UMBRELLA AGREEMENT

As noted in the Company's announcement dated 3 June 2011, the parties to the Shareholders' Agreements entered into an umbrella agreement, pursuant to which incentive distributions payable to the wholly-owned subsidiaries of the Company in accordance with the Shareholders' Agreements were to be calculated on a consolidated portfolio basis as opposed to individual portfolio basis.

On 28 April 2014, in connection with the entering into of the JVCo2 Agreement and JVCo3 Agreement, the parties to the umbrella agreement entered into a deed to terminate the umbrella agreement, which will take effect subject to completion having occurred under the JVCo2 Agreement and the JVCo3 Agreement.

(d) WAIVER OF JVCO1 RIGHT OF FIRST OFFER

As noted in the Company's announcement dated 3 June 2011, the JVCo1 Shareholders' Agreement contains restrictions on the transfer of shares in JVCo1. One restriction requires a shareholder wishing to sell all (but not some) of its shares in JVCo1 to first offer such shares to the other shareholder in accordance with the provisions of the JVCo1 Shareholders' Agreement ("**JVCo1 Right of First Offer**").

On 28 April 2014, Spring Orchard Limited (the owner of 39.5% of the total issued share capital of JVCo1 and a wholly-owned subsidiary of the Company) agreed to waive its rights under the JVCo1 Right of First Offer, in the event that the other

shareholder (GCPF Cayman Holding 9 Corp., an investment holding company and a wholly-owned subsidiary of a real estate fund which is the same fund that owns JVCo2 Seller and JVCo3 Seller) intended to sell its shares to a bona fide third party.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Directors consider that the acquisition of the remaining 73% shareholding interest in JVCo2 and JVCo3, which will enable the Group to hold the entire issued capital of JVCo2 and JVCo3, provides a valuable investment opportunity for the Group to increase its property ownership at a reasonable price and enjoy revenue income derived from JVCo2 Property and JVCo3 Property on a fully-owned basis at the same time. The Directors believe that the property business portfolio of the Group will be strengthened and enhanced by the Acquisitions.

The Directors consider that the Acquisitions are on normal commercial terms and that such terms are fair and reasonable and in the interests of the Company and Shareholders as a whole.

The Group intends to finance the Acquisitions from internal resources.

INFORMATION OF THE COMPANY, THE SELLERS, THE PURCHASERS AND THE TARGET COMPANIES

Information of the Company

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacture, assembly and sale of electronic watches and watch parts, trading of watch movements and watch parts, property development, property investment and hotel operation.

Information of JVCo2 Seller and JVCo3 Seller

JVCo2 Seller and JVCo3 Seller are investment holding companies incorporated in the Cayman Islands, that are wholly-owned subsidiaries of a real estate fund.

Information of JVCo2 Purchaser and JVCo3 Purchaser

JVCo2 Purchaser and JVCo3 Purchaser are investment holding companies incorporated in the British Virgin Islands, that are wholly-owned subsidiaries of the Company.

Information of JVCo2 and JVCo3

JVCo2 and JVCo3 are companies incorporated in the British Virgin Islands, that principally engage in property development and investment. JVCo2 is a joint venture company owned as to 73% by JVCo2 Seller and 27% by JVCo2 Purchaser. JVCo3 is a joint venture company owned as to 73% by JVCo3 Seller and 27% by JVCo3 Purchaser.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of acquisitions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. In this regard, the JVCo2 Acquisition and JVCo3 Acquisition shall be aggregated in the calculation of the percentage ratios (as defined in the Listing Rules).

As the relevant percentage ratios on an aggregate basis exceed 25% but are less than 100%, the Acquisitions constitute a major transaction of the Company and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. Further, the payment of the Initial Deposits will, in and of itself, constitute a major transaction of the Company that is subject to the above requirements.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the transactions contemplated under the Documents (including but not limited to the Acquisitions and the payment of the Initial Deposits and Further Deposits). As such, no Shareholder would be required to abstain from voting under the Listing Rules if the Company were to convene a general meeting for the approval of such matters.

The Company has a closely allied group of Shareholders which together hold approximately 51.86% of the total issued share capital of the Company as at the date of this announcement. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained a written approval from Brentford Investments Limited, which held 237,102,979 Shares as at the date of this announcement (representing approximately 25.21% of the issued share capital of the Company), and from Fenmore Investments Limited, which held 250,637,835 Shares as at the date of this announcement (representing approximately 26.65% of the issued share capital of the Company), for the approval of the transactions contemplated under the Documents (including but not limited to the Acquisitions and the payment of the Initial Deposits and Further Deposits). As such, no general meeting will be convened by the Company to approve such matters.

A circular containing, among other things, further details on the Acquisitions and valuation reports for the JVCo2 Property and the JVCo3 Property will be despatched to the Shareholders as soon as practicable on or before 21 May 2014 in accordance with the requirements of the Listing Rules.

DEFINITIONS USED IN THIS ANNOUNCEMENT

“Acquisitions”	collectively, the JVCo2 Acquisition and the JVCo3 Acquisition
“Asiatic”	Asiatic Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of JVCo3
“Batilone”	Batilone Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of JVCo2
“Board”	the board of directors of the Company
“Business Day”	a day other than a Saturday or Sunday on which banks are open in New York and Singapore to the general public for business during their normal business hours
“Company”	National Electronics Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Documents”	collectively, the JVCo2 Agreement, JVCo2 Other Documents, JVCo3 Agreement and JVCo3 Other Document
“Further Deposits”	collectively, the JVCo2 Further Deposit and the JVCo3 Further Deposit
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party”	an independent third party who is not a “connected person” as defined in the Listing Rules
“Initial Deposits”	collectively, the JVCo2 Initial Deposit and the JVCo3 Initial Deposit
“JVCo1”	Mercato Group Limited, a company incorporated in the British Virgin Islands

“JVCo1 Shareholders’ Agreement”	the shareholders’ agreement dated 30 March 2011 and entered into between Spring Orchard Limited, GCPF Cayman Holding 9 Corp. and JVCo1, as described in the announcement of the Company dated 3 June 2011
“JVCo2”	Smart Plus Group Limited, a company incorporated in the British Virgin Islands owned as to 73% by JVCo2 Seller and 27% by JVCo2 Purchaser, which in turn, owns all the issued shares in Batilone
“JVCo2 Acquisition”	the sale and purchase of JVCo2 Sale Shares and the assignment of the benefit of the JVCo2 Shareholder Loan pursuant to the JVCo2 Agreement
“JVCo2 Agreement”	the conditional sale and purchase agreement dated 28 April 2014 entered into between JVCo2 Seller and JVCo2 Purchaser in relation to the JVCo2 Acquisition
“JVCo2 Completion Date”	15 October 2014 or such other date as the Parties to the JVCo2 Agreement may agree in writing
“JVCo2 Consideration”	the consideration of HK\$219,347,587 for the JVCo2 Acquisition
“JVCo2 Deposit”	the JVCo2 Initial Deposit (at all times before the JVCo2 Further Deposit has been paid), or the aggregate of the JVCo2 Initial Deposit and the JVCo2 Further Deposit (at all times after the JVCo2 Further Deposit has been paid)
“JVCo2 Further Deposit”	a further deposit of HK\$65,804,276 in respect of the JVCo2 Acquisition
“JVCo2 Group”	collectively, JVCo2 and Batilone
“JVCo2 Initial Deposit”	an initial deposit of HK\$131,608,552 in respect of the JVCo2 Acquisition
“JVCo2 Longstop Date”	13 October 2014 or such other date as the Parties to the JVCo2 Agreement may agree to postpone to in writing
“JVCo2 Other Documents”	the Assignment of Shareholder Loan and the Deed of Termination (Shareholders’ Agreement) in respect of JVCo2

“JVCo2 Property”	all those pieces or parcels of ground respectively registered in the Land Registry as The Remaining Portion of Section A of Inland Lot No. 864 and The Remaining Portion of Section B of Inland Lot No. 865 together with the messuages, erections and buildings thereon now known as No. 89 Jervois Street, Hong Kong (formerly known as Nos. 87 and 89 Jervois Street, Hong Kong)
“JVCo2 Purchaser”	Verde Group Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“JVCo2 Sale Shares”	730 shares of US\$1.00 each in JVCo2, representing 73% of the issued share capital of JVCo2 to be sold by JVCo2 Seller to JVCo2 Purchaser pursuant to JVCo2 Agreement
“JVCo2 Seller”	GCPF Cayman Holding 10 Corp., the seller for the JVCo2 Acquisition which is an investment holding company and a wholly-owned subsidiary of a real estate fund
“JVCo2 Shareholder Loan”	all outstanding loans owed by JVCo2 to JVCo2 Seller from time to time (which shall amount to a total of HK\$9,699,430.48 as at the Completion Date)
“JVCo2 Shareholders’ Agreement”	the shareholders’ agreement dated 7 June 2011 and entered into between JVCo2 Seller, JVCo2 Purchaser and JVCo2, as described in the announcement of the Company dated 3 June 2011
“JVCo3”	Ally Vantage Limited, a company incorporated in the British Virgin Islands owned as to 73% by JVCo3 Seller and 27% by JVCo3 Purchaser, which in turn, owns all the issued shares in Asiatic and Lens
“JVCo3 Acquisition”	the sale and purchase of JVCo3 Sale Shares pursuant to the JVCo3 Agreement
“JVCo3 Agreement”	the conditional sale and purchase agreement dated 28 April 2014 entered into between JVCo3 Seller and JVCo3 Purchaser in relation to the JVCo3 Acquisition

“JVCo3 Completion Date”	17 June 2014 or such other date as the Parties to the JVCo3 Agreement may agree in writing
“JVCo3 Consideration”	the consideration of HK\$258,647,172 for the JVCo3 Acquisition
“JVCo3 Deposit”	the JVCo3 Initial Deposit (at all times before the JVCo3 Further Deposit has been paid), or the aggregate of the JVCo3 Initial Deposit and the JVCo3 Further Deposit (at all times after the JVCo3 Further Deposit has been paid)
“JVCo3 Further Deposit”	a further deposit of HK\$77,594,152 in respect of the JVCo3 Acquisition
“JVCo3 Group”	collectively, JVCo3, Asiatic and Lens
“JVCo3 Initial Deposit”	an initial deposit of HK\$155,188,303 in respect of the JVCo3 Acquisition
“JVCo3 Longstop Date”	13 June 2014 or such other date as the Parties to the JVCo3 Agreement may agree to postpone to in writing
“JVCo3 Other Document”	the Deed of Termination (Shareholders’ Agreement) in respect of JVCo3
“JVCo3 Property”	(1) all that piece or parcel of ground registered in the Land Registry as The Remaining Portion of Marine Lot No. 152 together with the messuages, erections and buildings thereon (if any) now known as No. 101 Bonham Strand, Hong Kong, (2) all that piece or parcel of ground registered in the Land Registry as The Remaining Portion of Marine Lot No. 153 together with the messuages erections and buildings thereon (if any) now known as No. 103 Bonham Strand, Hong Kong, (3) all that piece or parcel of ground registered in the Land Registry as The Remaining Portion of Section A of Marine Lot No. 153 together with the messuages erections and buildings thereon (if any) now known as No. 127 Wing Lok Street, Hong Kong, and (4) all that piece or parcel of ground registered in the Land

	Registry as The Remaining Portion of Marine Lot No. 151 and together with the messuages, erections and buildings thereon now known as No. 99 Bonham Strand, Hong Kong
“JVCo3 Purchaser”	Seafield Capital Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“JVCo3 Sale Shares”	730 shares of US\$1.00 each in JVCo3, representing 73% of the issued share capital of JVCo3 to be sold by JVCo3 Seller to JVCo3 Purchaser pursuant to JVCo3 Agreement
“JVCo3 Seller”	GCPF Cayman Holding 11 Corp., the seller for the JVCo3 Acquisition which is an investment holding company and a wholly-owned subsidiary of a real estate fund
“JVCo3 Shareholders’ Agreement”	the shareholders’ agreement dated 7 June 2011 and entered into between JVCo3 Seller, JVCo3 Purchaser and JVCo3, as described in the announcement of the Company dated 3 June 2011
“Lens”	Lens Limited, a company incorporated in Hong Kong and is wholly owned subsidiary of JVCo3
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Party”	a party to the JVCo2 Agreement or the JVCo3 Agreement (as the case may be)
“Shareholders”	the shareholders of the Company
“Shareholders’ Agreements”	collectively, the JVCo1 Shareholders’ Agreement, JVCo2 Shareholders’ Agreement and JVCo3 Shareholders’ Agreement
“Shareholders’ Approval”	the written approvals obtained from the Company’s closely allied group of Shareholders, as further described in the section headed “Implications under the Listing Rules” above
“Shares”	ordinary shares in the share capital of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

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

Hong Kong, 28 April 2014

As at the date of this announcement, the executive Directors are Mr. Lee Yuen Ching, Jimmy, Mr. Lee Bon Chi, Loewe, Mr. Lee Yuen Kui, James, 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.