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NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF SHARES TO BE ISSUED UPON EXERCISE OF THE OUTSTANDING SHARE OPTIONS

As a result of the Bonus Issue, adjustments have been made to the exercise price and the number of Shares to be allotted and issued upon exercise of the subscription rights attaching to the outstanding share options of the Company granted under the Share Option Scheme.

Reference is made to (i) the circular of the Company dated 24 July 2015 (the “**Circular**”) in respect of, among other matters, the Bonus Issue; and (ii) the poll results announcement of the Company dated 25 August 2015 announcing, among other matters, the passing of the resolution regarding the Bonus Issue. Capitalized terms used herein shall have the same meanings as those defined in the Circular unless otherwise stated.

As a result of the Bonus Issue and pursuant to the share option scheme adopted by the Company on 20 August 2008 (the “**Share Option Scheme**”) and Rule 17.03(13) of the Listing Rules, adjustments have been made to the exercise price and the number of Shares to be allotted and issued upon exercise of the subscription rights attaching to the outstanding share options of the Company granted under the Share Option Scheme (the “**Adjustments**”) as follows:

Date of grant	Immediately before the issue of Bonus Shares on 11 September 2015	Exercise price per share <i>HK\$</i>	Immediately after the issue of Bonus Shares on 11 September 2015	Adjusted exercise price per share <i>HK\$</i>
	Number of Shares to be issued upon exercise of the outstanding share options		Adjusted number of Shares to be issued upon exercise of the outstanding share options	
18 March 2010	9,200,000	0.542	10,120,000	0.493
23 March 2011	<u>6,300,000</u>	0.760	<u>6,930,000</u>	0.691
	<u>15,500,000</u>		<u>17,050,000</u>	

Save for the Adjustments, all other terms and conditions of the respective share options granted by the Company remain unchanged.

The Company's auditors have confirmed to the Directors in writing that the calculations with respect to the Adjustments are in accordance with the terms of the Share Option Scheme, Rule 17.03(13) of the Listing Rules and the supplementary guidance dated 5 September 2005 issued by the Stock Exchange.

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

Hong Kong, 11 September 2015

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.