

NATIONAL ELECTRONICS HOLDINGS LIMITED

(the “Company”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

Subject to the applicable laws and rules, including the Companies Act of Bermuda and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Company’s bye-laws (the “Bye-laws”), as amended from time to time, shareholders of the Company (“Shareholders”, and each a “Shareholder”) may put forward proposal in general meetings to nominate any person to stand for election as a director of the Company (the “Director”).

1. Provisions in the Company’s Bye-laws

Pursuant to the Bye-law 103:-

“No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. The period for lodgment of the notices required under this bye-law will commence on (and include) the day after the despatch of the notice of the general meeting appointed for such election and end on (and exclude) the date that is 7 days (before) the date of such general meeting.”

2. Procedures for lodgement of a nomination

If a Shareholder wishes to propose a person (the “Candidate”) to stand for election as a Director at a general meeting, the following documents must be validly served, during a period commencing on the day after the despatch of the notice of the general meeting and ending no later than 7 days prior to the date of such general meeting, to the Company Secretary at the Company’s Head Office at Suite 3201, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong or at the Company’s Registration Office, Tricor Standard Limited, at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong:-

- (i) a notice of his/her intention to propose such a resolution in the general meeting, duly signed by the Shareholder with his/her name and address stated clearly in an eligible manner, validity of which is subject to verification and confirmation by the Company’s share registrar in Hong Kong according to its records; and
- (ii) a notice executed by the Candidate of his/her willingness to be elected together with (A) such information of the Candidate as would be required to be disclosed under Rule 13.51(2) of the Listing Rules, (B) the Candidate’s written consent to the publication of his/her personal data, and (C) contact address and contact telephone number etc. of the Candidate.

In order to ensure other Shareholders have sufficient time to receive and consider the information of the Candidate(s), Shareholders are urged to submit their proposals in case of nominating Candidate(s) for election as Director, as early as practicable, so that a supplementary circular or announcement containing information of the Candidate(s) in advance of the relevant general meeting with the requirement of the Listing Rules, can be despatched to Shareholders as soon as practicable without the need to adjourn the relevant general meeting.

(The Chinese Version of these Procedures is an unofficial translation of the English version prepared for reference only. In case of inconsistency between the two versions, the English version shall prevail.)