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# **NATIONAL ELECTRONICS HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 213)**

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of National Electronics Holdings Limited (the “Company”) will be held on Wednesday, 27 August 2014 at 10:00 a.m. at Dragon Room 1, The Hong Kong Bankers Club, 43/F, Gloucester Tower, The Landmark, Central, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements and reports of the directors and auditors of the Company for the year ended 31 March 2014;
2. To consider and if thought fit approve the payment of a final dividend and a special cash dividend recommended by the board of directors for the year ended 31 March 2014;
3. To consider and if thought fit approve the re-election of Mr. Edward Lee Yuen Cheor as an Executive Director of the Company;
4. To consider and if thought fit approve the re-election of Mr. Chan Kwok Wai as an Independent Non-executive Director of the Company;
5. To determine the directors’ remuneration for their services in an aggregate sum of not exceeding HK\$2,500,000; and
6. To consider and if thought fit approve re-appointment of HLB Hodgson Impey Cheng Limited as auditors of the Company and to authorize the board of directors to fix their remuneration.

As special business to consider and, if thought fit, pass with or without modification the following resolutions which will be proposed as ordinary resolutions of the Company:

7. **“THAT**
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to purchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of share capital of the Company purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.

8. **“THAT**

- (a) subject to paragraph (c) below and subject to the consent of the Bermuda Monetary Authority, where applicable, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities which may be issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (iii) the exercise of any option granted under any share option scheme adopted by the Company; or (iv) an issue of shares in lieu of the whole or part of a dividend on shares pursuant to any scrip dividend or other similar scheme implemented in accordance with the Bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange);

9. “**THAT** conditional upon the passing of the ordinary resolutions numbered no. 7 and 8 in the notice convening this annual general meeting of the Company, the aggregate nominal amount of the share capital of the Company which are purchased by the Company pursuant to and in accordance with the said ordinary resolution no. 7 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted and agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with ordinary resolution no. 8 as set out in the notice of the annual general meeting of the Company provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution.”

By Order of the Board  
**Andy Wong Kam Kee**  
*Company Secretary*

Hong Kong, 25 July 2014

*Executive Directors:*

Jimmy Lee Yuen Ching  
Loewe Lee Bon Chi  
James Lee Yuen Kui  
Edward Lee Yuen Cheor  
Ricky Wai Kwong Yuen

*Non-executive Director:*

Dorathy Lee Yuen Yu

*Independent Non-executive Directors:*

Dr. Samson Sun, *M.B.E., J.P.*  
William Chan Chak Cheung  
Chan Kwok Wai

**Notes:**

- (1) The Register of Members of the Company will be closed from Wednesday, 20 August 2014 to Wednesday, 27 August 2014 (both days inclusive) and from Tuesday, 2 September 2014 to Wednesday, 3 September 2014 (both days inclusive) respectively, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2014 AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 19 August 2014. In order to qualify for the proposed final dividend and special cash dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Monday, 1 September 2014. Dividends are expected to be paid on or about Tuesday, 16 September 2014.

- (2) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by duly authorized corporate representative or by proxy. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company.
- (3) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorized.
- (4) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's principal place of business in Hong Kong at Suite 3201, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting.
- (5) Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (6) Any corporation which is a member of the Company may, by resolutions of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.